A copy of this preliminary prospectus has been filed with the securities regulatory authority in British Columbia but has not yet become final. Information contained in this preliminary prospectus may not be complete and may have to be amended.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This prospectus does not constitute a public offering of securities.

PRELIMINARY PROSPECTUS

NON-OFFERING PROSPECTUS **DATED August 17, 2018**

ORION NUTRACEUTICALS INC.

300-1055 West Hastings Street
Vancouver, BC, V6E 2E9

This prospectus is being filed with the British Columbia Securities Commission (the "**BCSC**") for the purpose of allowing Orion Nutraceuticals Inc. (the "**Issuer**") to become a "reporting issuer" in the Province of British Columbia pursuant to applicable securities legislation.

Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Issuer.

There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "Risk Factors".

As at the date of this Prospectus, the Issuer does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

Concurrently with the filing of this Prospectus, the Issuer will make an application for listing on the Canadian Securities Exchange (the "**CSE**"). Listing is subject to the Issuer fulfilling all of the listing requirements of the CSE, including meeting all minimum listing requirements.

An investment in securities of the Issuer is speculative and involves a high degree of risk. **The Issuer's 99% owned subsidiary MedicOasis (as defined herein) is not yet a licensed producer of medical cannabis, and is only at the application stage. There are no assurances that MedicOasis will receive its license.** In reviewing this Prospectus, you should carefully consider the matters described under the heading "Risk Factors".

No underwriters or selling agents have been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus.

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Schedule “A” Audited financial statements of the Issuer for the period from incorporation (November 7, 2017) to May 31, 2018.

Schedule “B” Management’s Discussion and Analysis for the Issuer for the period from incorporation (November 7, 2017) to May 31, 2018.

Schedule “C” Audited financial statements for MedicOasis for the financial years ended December 31, 2016 and 2017 and financial statements of MedicOasis for the five month period ended May 31, 2018.

Schedule “D” Management’s Discussion and Analysis for MedicOasis for the financial year ended December 31, 2017 and for the five month period ended May 31, 2018.

Schedule “E” Pro Forma financial statements for the Issuer giving effect to the acquisition of MedicOasis as at May 31, 2018.

Schedule “F” Audit Committee Charter of the Issuer

Certificate Page of the Issuer

Certificate Page of the Promoter

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

The Issuer	The Issuer was incorporated pursuant to the BCBCA under the name "Cline Capital Corp." on November 7, 2017 under incorporation number BC1140427. On April 9, 2018, the Issuer changed its name to "Orion Nutraceuticals Inc.".
Business of the Issuer	The Issuer's business has been the acquisition of, or investment in, subsidiaries in global markets to grow cannabis and extract cannabis oil that will be used as an ingredient in proprietary health and beauty products and distributed in bulk to other manufacturers. The Issuer closed its purchase of MedicOasis on May 31, 2018 as its 99% owned subsidiary. Accordingly, some of the business discussion set forth below relates to the business of MedicOasis. MedicOasis is a privately held, Québec company incorporated on December 19, 2013. As of the date of this Prospectus, MedicOasis is an applicant in the process of obtaining a Cultivation License pursuant to the ACMPR. MedicOasis has submitted a site change in respect of its Cultivation License application; however, MedicOasis is still required to submit its application in respect of the new site to be located at the Dorval Property (as defined herein), which would allow MedicOasis to produce medical marijuana at such 30,000 square foot facility (the "**Québec Facility**"), which is expected to be built out in 2019. The Issuer has also made an investment into FCM Global S.A.S. ("**FCM Global**") which is a Colombian company with a medical cannabis production facility near Medellin, Colombia. At present, the Issuer owns 4,222 FCM Shares representing 12.24% of the outstanding shares of FCM Global. See "Describe the Business".
Listing	The Issuer has applied to have its Common Shares listed on the CSE. Listing is subject to the Issuer fulfilling all of the requirements of the CSE. See page 1 of this Prospectus.
Use of Available Funds	As at May 31, 2018, the Issuer had total assets of $1,273,442. As at July 31, 2018, the most recent month-end before the date of this Prospectus, the Issuer had working capital of $517,612**.** For a more detailed discussion on the Issuer's available funds, see "Use of Available Funds" on page 37 of this Prospectus and "Describe the Business" on page 12 of this Prospectus. The Issuer will require funding from other sources to continue operations beyond the next year. Such additional funds would likely be raised through a private placement of securities. There is no assurance that such funding will be available.
The Offering	No securities are being offered pursuant to this Prospectus. This prospectus is being filed with the BCSC for the purpose of allowing the Issuer to apply for listing on the CSE and to enable the Issuer to develop an organized market for its shares. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Issuer.
Directors and Executive Officers	Jonathan Fiteni – CEO and Director Christopher Cherry – CFO Marcelin O'Neill – CCO and Director Robin Linden - Director See "Directors and Executive Officers" for more information.

Risk Factors	The Issuer's business is subject to certain risks, including but not restricted to risks related to: limited operating history and expected continued operating losses, the risk of the medical cannabis industry, completion of the Québec Facility build out, MedicOasis being granted a Cultivation License, regulatory risks, uninsurable risks, permits and licenses, competitive risks, dependence on key management, additional funding requirements, conflicts of interest, dilution, volatility of publicly traded securities, discretion in the use of funds, influence of third party shareholders and no history of dividends. See "Risk Factors".	
Summary Financial Information of the Issuer and MedicOasis:	The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of the Issuer and MedicOasis included in this Prospectus, and should be read in conjunction with such financial statements and the related notes thereto, along with the Management Discussion and Analysis included in this Prospectus. All financial statements of the Issuer and MedicOasis are prepared in accordance with International Financial Reporting Standards ("**IFRS**").	
		Issuer – For the year ended May 31, 2018($)
	Statements of Operations	
	Total Revenues	Nil
	Total Expenses	205,773
	Net Income (Loss)	(205,773)
	Net Income (Loss) per Share – basic and fully diluted	(0.02)
	Balance Sheet	
	Total Assets	1,273,442
	Total Liabilities	91,580
	Shareholder's Equity	1,181,862
		MedicOasis – For the period ended May 31, 2018 ($)
	Statements of Operations	
	Total Revenues	Nil
	Total Expenses	Nil
	Net Income (Loss)	Nil
	Net Income (Loss) per Share – basic and fully diluted	0.00
	Balance Sheet	
	Total Assets	100
	Total Liabilities	150,258
	Shareholder's Deficiency	(150,158)

FORWARD LOOKING STATEMENTS

This Prospectus contains certain forward-looking statements within the meaning of Canadian securities laws. These statements relate to future events or future performance and reflect management's expectations regarding the Issuer's financial condition, growth, results of operations, performance, financial needs, business prospects and opportunities. The forward-looking statements are contained principally in the sections titled *"Prospectus Summary"*, *"Describe the Business"*, *"Management's Discussion and Analysis"* and *"Risk Factors"*.

Forward-looking statements reflect management's current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", "target" or the negative of these terms or other comparable terminology intended to identify forward-looking statements. Forward-looking statements in this Prospectus include, but are not limited to, statements relating to:

- the intention to complete the listing of Common Shares for trading on the CSE and all transactions related thereto;
- the Closing of the Purchase and Sale, specifically including the closing of Tranche 2 (as defined herein);
- the investments to be made to FCM Global under the FCM Agreement;
- the Issuer's anticipated cash needs and its needs for additional capital;
- expectations with respect to future production costs and capacity;
- the Issuer's plans to develop the Québec Facility on the Dorval Property;
- the completion of the buildout of its Québec Facility;
- expectations with respect to expected production once the Québec Facility build out is complete;
- expectations with respect to the approval of licenses (if any), including a Cultivation License, Sales License and an Import/Export Permit;
- expectations with respect to the future growth of medical cannabis products;
- the medical benefits, safety, efficacy, dosing and social acceptance of cannabis;
- the competitive position of the Issuer and the regulatory environment in which the Issuer operates;
- any commentary related to the coming into force and legalization of adult-use, recreational cannabis;
- the Issuer's expected business objectives;
- plans with respect to dividends;
- volatility of stock price and market conditions;
- the Issuer's ability to obtain additional funds through the sale of equity or debt commitments; and
- unfavourable publicity or consumer perception; and
- investment capital and market share.

Forward-looking statements are based on certain assumptions and analyses made by the Issuer in light of the experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate and are subject to risks and uncertainties. In making the forward looking statements included in this Prospectus, the Issuer has made various material assumptions, including but not limited to (i) obtaining the necessary regulatory approvals; (ii) that regulatory requirements will be maintained; (iii) general business and economic conditions; (iv) the Issuer's ability to successfully execute its plans and intentions; (v) the availability of financing on reasonable terms; (vi) the Issuer's ability to attract and retain skilled staff; and (vii) market competition. Although we believe that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and we cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, readers should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Issuer's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "Risk Factors", which include:

- the Issuer is a development stage company with little operating history and the Issuer cannot assure profitability or generation of immediate revenue;
- the Issuer's actual financial position and financial performance may differ materially from the expectations of the Issuer's management;
- the impact of competition;
- the Issuer expects to incur significant ongoing costs and obligations relating to its investment in infrastructure, growth, research and development, regulatory compliance and operations;

- the medical cannabis industry and market are relatively new in Canada and this industry and market may not continue to exist or grow as anticipated or the Issuer may be ultimately unable to succeed in this new industry and market
- there are factors which may prevent the Issuer from the realization of growth targets;
- if the Québec Facility is not completed the Issuer will have no production facility for its operations;
- MedicOasis is reliant on government issued Cultivation Licenses to conduct research on cannabis and to produce medical cannabis products in Canada;
- there is no assurance that the Issuer will obtain and retain any relevant licenses from Health Canada;
- the Issuer's industry is difficult to quantify and investors will be reliant on their own estimates of the accuracy of market data;
- the cannabis industry is experiencing rapid growth and consolidation that may intensify competition;
- the Issuer is subject to changes in Canadian laws regulations and guidelines which could adversely affect the Issuer's future business and financial performance;
- the Issuer may not be able to develop its products, which could prevent it from ever becoming profitable;
- there is no assurance that the Issuer will turn a profit or generate immediate revenues;
- the Issuer faces competition from other companies where it will conduct business that may have higher capitalization, more experienced management or may be more mature as a business;
- if the Issuer is unable to develop and market new products, it may not be able to keep pace with market developments;
- if the Issuer is unable to attract and retain key personnel, it may not be able to compete effectively in the cannabis market
- there is no assurance that the Issuer will obtain licenses or approvals that may be required for the Issuer's business and future plans;
- the size of the Issuer's target market is difficult to quantify, and investors will be reliant on their own estimates on the accuracy of market data;
- the cultivation of cannabis includes risks inherent in an agricultural business including the risk of crop loss, sudden changes in environmental conditions, equipment failure, product recalls and others;
- the expansion of the medical cannabis industry may require new clinical research into effective medical therapies, when such research has been restricted in the U.S. and is new to Canada;
- under Canadian regulations, a Licensed Producer of cannabis may have restrictions on the type and form of marketing it can undertake which could materially impact sales performance;
- the Issuer's industry is experiencing rapid growth and consolidation that may cause the Issuer to lose key relationships and intensify competition;
- the Issuer's officers and directors may be engaged in a range of business activities resulting in conflicts of interest;
- negative operating cash flow;
- vulnerability to rising energy costs;
- publicity or consumer perception;
- difficulty to forecast;
- additional requirements for capital;
- currency risk; and
- no dividend history.

If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in those forward-looking statements. The assumptions referred to above and described in greater detail under "Risk Factors" should be considered carefully by readers.

The Issuer's forward-looking statements are based on the reasonable beliefs, expectations and opinions of management on the date of this Prospectus (or as of the date they are otherwise stated to be made). Although the Issuer has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. We do not undertake to update or revise any forward-looking statements, except as, and to the extent required by, applicable securities laws in Canada.

Market and Industry Data

This Prospectus includes market and industry data that has been obtained from third party sources, including industry reports and publications, websites and other publicly available information, as well as industry and other data prepared by us or on our behalf on the basis of our knowledge of the Canadian cannabis market and economy (including our opinions, estimates and assumptions relating to the Canadian cannabis market and economy based on that knowledge). We believe that the market and economic data presented throughout this Prospectus is accurate and, with respect to data prepared by us or on our behalf, that our opinions, estimates and assumptions are currently appropriate and reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market and economic data presented throughout this Prospectus are not guaranteed and we do not make any representation as to the accuracy of such data.

Actual outcomes may vary materially from those forecast in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. Although the data is believed to be reliable, we have not independently verified any of the data from third party sources referred to in this Prospectus, analyzed or verified the underlying studies relied upon or referred to by such sources, or ascertained the underlying market, economic and other assumptions relied upon by such sources. Market and economic data is subject to variations and cannot be verified due to limits on the availability and reliability of data inputs and other limitations and warranties.

All of the forward-looking statements contained in this Prospectus are expressly qualified by the foregoing cautionary statements. Investors should read this entire Prospectus and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment.

GLOSSARY OF TERMS

"**ACMPR**" means the *Access to Cannabis for Medical Purposes Regulations* which came into force on August 24, 2016.

"**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 Issuer 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 Issuer. 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.

"**Associate**" when used to indicate a relationship with a person or company, means (a) an issuer of which the person or company 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 or company, (c) any trust or estate in which the person or company has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity, and (d) in the case of a person, 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.

"**Auditor**" means DMCL Chartered Professional Accountants LLP.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**BCSC**" means the British Columbia Securities Commission.

"**Board**" means the board of directors of the Issuer.

"Bridge Loan Settlement" means any settlement reached directly by the Issuer with a bridge loan creditor of FCM Global, by means of the Issuer delivering cash or stock to repay the relevant bridge loan facility on behalf of FCM Global, resulting in the Issuer being a surrogate creditor for such bridge loan facility vis-à-vis FCM Global.

"Business Day" means any day of the week except for Saturday, Sunday, and any other day in which commercial banks are not required to by law or governmental action to be open to the public in Vancouver, BC.

"**Canna Technology**" means Canna Technology Inc., a private company incorporated under the CBCA.

"CBCA" means the *Canada Business Corporations Act*.

"**CBD**" means cannabidiol, an active cannabinoid identified in cannabis that is considered to have a wide scope of potential medical applications.

"CBN" means cannabinol.

"**CCO**" means chief compliance officer.

"**CDSA**" means the *Controlled Drugs and Substances Act* (Canada).

"**CEO**" means chief executive officer.

"**CFO**" means chief financial officer.

"**Closing**" means the closed Tranche 1 of the Purchase and Sale and the closing of Tranche 2 of the Purchase and Sale.

"**Common Shares**" means the common shares without par value in the capital of the Issuer.

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

"**CSE Approval**" means the final approval of the CSE in respect of the listing of the Common Shares on the CSE following completion of the Purchase and Sale, as evidenced by the issuance of the final approval bulletin of the CSE in respect thereof.

"**CSE Policies**" means the rules and policies of the CSE in effect as of the date hereof.

"**Cultivation License"** means a license granted under the ACMPR to a Licensed Producer to allow the cultivation and distribution of medical marijuana to eligible persons.

"**Dorval Property**" means the leased facility located at 9125-9135 Côte-de-Liesse and 712-716 Renaud in the City of Dorval, Quebec.

"**Effective Date**" means the date on which the BCSC issues a final receipt for this Prospectus.

"**Escrow Agent**" and "**Transfer Agent**" means Computershare Investor Services Inc., at its Vancouver office located at 510 Burrard Street, 3rd Floor, Vancouver, BC, V6C 3B9.

"**Escrow Agreement**" means the escrow agreement dated ●, 2018 among the Issuer, Computershare Investor Services Inc., as escrow agent, and the holders of the Escrowed Securities.

"**Escrowed Securities**" means the 6,096,000 Common Shares held by the Principals that will be deposited in escrow pursuant to the Escrow Agreement.

"**FCM Agreement**" means the Investment Commitment and Call Option Agreement dated May 26, 2018, as amended July 30, 2018, entered into among the Issuer, FCM Global, Promotora AAA S.A.S., Juan Felipe Velasquez Agudelo, and Mani Partners LLC for the Issuer's purchase of FCM Shares.

"**FCM Cultivation License**" means the license issued to FCM Global through Resolution number 000070 dated April 10, 2017 by the Ministry of Justice and Law, for the cultivation of non-psychoactive cannabis for purposes including the production of grain and seeds for planting, fabrication of derivatives, industrial, and scientific.

"**FCM Global**" means FCM Global S.A.S., a private company incorporated under the laws of Colombia.

"FCM Shares" means the issued and ordinary shares of FCM Global.

"FNE" means the National Narcotics Fund (Fondo Nacional de Estupefacientes), the Colombian narcotics regulatory regime.

"GEP Standards" means the Colombian good elaboration practices certified in accordance with the guidelines set out in Decree 2200 of 2005 and INVIMA Resolution 444 of 2008.

"**hemp"** or "**industrial hemp**" means cannabis plants and plant parts, of any variety that contains 0.3% THC or less in the leaves and flowering heads and includes derivatives of industrial hemp plants and plant parts.

"High THC Medicinal Cannabis" means psychoactive cannabis containing more than 1% THC.

"ICA" means the Colombian Agricultural Institute.

"**Insider**" has the meaning ascribed to that term in the *Securities Act* (British Columbia), which includes the directors and senior officers of the Issuer or any subsidiaries of the Issuer and any person that has direct or indirect beneficial ownership of, or control or direction over, securities of the Issuer carrying more than 10% of the voting rights attached to the Issuer's outstanding voting securities.

"INVIMA" means the Colombia National Food and Drug Surveillance Institute (Instituto Nacional de Vigilancia de Medicamentos y Alimentos), the Colombian prescription drug regulatory body.

"**Issuer**" means Orion Nutraceuticals Inc., a company incorporated under the BCBCA.

"**Licensed Producer**" or "**LP**" means a producer that is approved by Health Canada and has been granted a license under the ACMPR to produce, sell, distribute or provide marijuana for medical purposes to eligible persons.

"**Listing Date**" means the date on which the Common Shares of the Issuer are listed for trading on the CSE.

"Low THC Medicinal Cannabis" means non-psychoactive cannabis containing less than 1% THC.

"**MedicOasis**" means MedicOasis Inc. or MédicOasis Inc., a private company incorporated under the QBCA.

"**MedicOasis Shares**" means common shares without par value in MedicOasis.

"Ministry of Agriculture" means the Colombian Ministry of Agriculture and Rural Development.

"Ministry of Health" means the Columbian Ministry of Health and Social Protection.

"Ministry of Justice" means the Colombian Ministry of Justice and Law.

"**MMAR**" means the *Marihuana Medical Access Regulations* SOR/2001-227 under the *Controlled Drugs and Substances Act* (Canada), which was repealed and replaced with the MMPR.

"**MMPR**" means the *Marihuana for Medical Purposes Regulations,* SOR/2013-119 under the *Controlled Drugs and Substances Act* (Canada), which was repealed and replaced with the ACMPR.

"**Named Executive Officers**" or "**NEO**" means the following individuals:

(a) the Issuer's CEO;

(b) the Issuer's CFO;

(c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000, as determined in accordance with subsection 1.3(5) of 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for that financial year; and

(d) each individual who would be an Named Executive Officer under paragraph (c) but for the fact that the individual was not an executive officer of the Issuer, and not acting in a similar capacity, at the end of that financial year.

"**NI 51-102**" means National Instrument 51-102 *Continuous Disclosure Requirements*.

"**NI 52-110**" means National Instrument 52-110 *Audit Committees*.

"**NI 58-101**" means National Instrument 58-101 *Disclosure of Corporate Governance Practices*.

"**NP 46-201**" means National Policy 46-201 *Escrow for Initial Public Offerings* as published by the Canadian Securities Administrators.

"**NP 58-201**" means National Policy 58-201 *Corporate Governance Guidelines*.

"Orion Loan Agreement" means the loan agreement entered into by the Issuer, as lender, and FCM Global, as borrower, dated April 27, 2018, for up to USD $200,000, subject to the conditions provided therein.

"**Person**" means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual, or an individual.

"**Principals**" means, with respect to the Issuer:

(a) the directors and senior officers of the Issuer;

(b) promoters of the Issuer during the two years preceding the date the Issuer becoming a reporting issuer;

(c) those who own or control more than 10% of the Issuer's voting securities immediately before and immediately after the date the Issuer becoming a reporting issuer if they also have elected or appointed or have the right to elect or appoint a director or senior officer of the Issuer;

(d) those who own or control more than 20% of the Issuer's voting securities immediately before and immediately after the Issuer becoming a reporting issuer; and

(e) associates and affiliates of any of the above.

"**Prospectus**" means this prospectus and any appendices, schedules or attachments hereto.

"**Purchase and Sale**" means the acquisition by the Issuer of 100% of the issued and outstanding MedicOasis Shares as more particularly specifically set out in the Purchase and Sale Agreement, and all transactions related to the Purchase and Sale.

"**Purchase and Sale Agreement**" means the agreement dated May 31, 2018, entered into among the Issuer, MedicOasis, Yu Zhi Wang, Antonio Bramante and Canna Technology in respect of the Purchase and Sale.

"**QBCA**" means *Business Corporations Act* (Quebec), including the regulations thereunder, as amended.

"**Québec Facility**" means MedicOasis' anticipated 30,000 square foot cannabis production facility to be built on the Dorval Property.

"**Related Person**" means an "Insider", which has the meaning set forth in the *Securities Act* (British Columbia) being:

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

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

(c) a person that beneficially owns or controls, directly or indirectly, voting share 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.

"**RRIF**" means a registered retirement income fund.

"**RRSP**" means a registered retirement savings plan.

"**Sales License**" means a Cultivation License amended to include the activity of sale, granted pursuant to the ACMPR which permits a Licensed Producer to sell medical marijuana in addition to the existing ability to produce medical marijuana.

"**Securities Commission**" means the British Columbia Securities Commission.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval (www.sedar.com).

"**Stock Option Plan**" means the Issuer's stock option plan providing for the grant of incentive stock options to the Issuer's directors, officers, employees and consultants in accordance with the rules and policies of the CSE.

"**Stock Options**" mean the incentive stock options to be granted to the Issuer's directors, officers, employees and consultants in accordance with the Stock Option Plan and the rules and policies of the CSE.

"**Tranche 1**" has the meaning ascribed on page 11.

"**Tranche 2**" has the meaning ascribed on page 11.

"**THC**" means delta-9-tetrahydrocannabinol, a psychoactive chemical compound in cannabis.

"**Transfer Agent**" means Computershare Investor Services Inc.

CURRENCY

All sums of money to be paid or calculated pursuant to this Prospectus shall be paid or calculated in the currency of Canada unless otherwise expressly stated.

CORPORATE STRUCTURE

Name and Incorporation

The Issuer was incorporated pursuant to the BCBCA under the name "Cline Capital Corp." on November 7, 2017.

On April 9, 2018, the Issuer changed its name to "Orion Nutraceuticals Inc."

Purchase of MedicOasis

MedicOasis was incorporated under the QBCA under the name "MedicOasis Inc." on December 19, 2013. The former business address of MedicOasis was 101-1666 Rue Thierry, Lasalle, Québec H8N 2K4. Going forward, MedicOasis will operate out of the Dorval Property.

On May 31, 2018, the Issuer entered into the Purchase and Sale Agreement with MedicOasis, Yu Zhi Wang, Antonio Bramante and Canna Technology, to carry out the purchase of all of the issued and outstanding MedicOasis Shares.

In connection with the Purchase and Sale, the Issuer will purchase from Yu Zhi Wang, a total of 1,000 MedicOasis Shares being all of the issued and outstanding MedicOasis Shares, as follows:

1. The Issuer has acquired 990 MedicOasis Shares by:

    (a) payment of $400,000 cash to Yu Zhi Wang within five days of the date of the Purchase and Sale Agreement;

    (b) issued 800,000 Common Shares to Canna Technology (or affiliates) at a deemed price of $1.00 per Common Share within five days of the date of the Purchase and Sale Agreement;

    all of which was completed as part of the first closing of the Purchase and Sale ("Tranche 1"). The Issuer presently owns 99% of the issued and outstanding MedicOasis Shares. $150,000 of the purchase price issued in Common Shares represented debt of MedicOasis owed in connection with a loan provided to MedicOasis.

2. The Issuer will to acquire the remaining 10 MedicOasis Shares by issuing to Canna Technology (or affiliates):

    (a) upon MedicOasis being granted building permits to start construction from the City of Dorval, $650,000 worth of Common Shares at a deemed price of $1.00 per Common Share;

    (b) upon MedicOasis receiving approval from Health Canada for the ready to build stage, $650,000 worth of Common Shares at the market price of the Common Shares at the time of issuance (as traded on the CSE); and

    (c) upon MedicOasis receiving approval from Health Canada for cultivation, $650,000 worth of Common Shares at the market price of the Common Shares at the time of issuance (as traded on the CSE),

    all of which are to be completed as part of the second closing of the Purchase and Sale ("Tranche 2" and together with the completed Tranche 1, the "Closing")

The Purchase and Sale has resulted in or will result in, among other things, the following to occur on Closing:

(a) Upon the closing of Tranche 1 (complete):

    (i) the Issuer became the holder of 990 MedicOasis Shares;

    (ii) MedicOasis will enter into certain consulting agreements pursuant to the Purchase and Sale Agreement; and

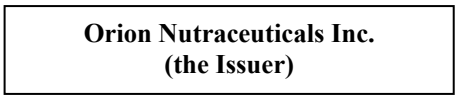
    (iii) Jonathan Fiteni and Robin Linden will join the board of directors of MedicOasis,

(b) Upon closing of Tranche 2, the Issuer will become the holder of the remaining 10 MedicOasis Shares; and

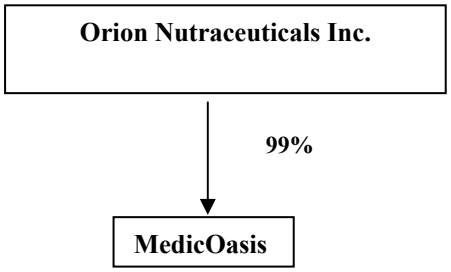
(c) MedicOasis will become the 100% wholly-owned subsidiary of the Issuer.

The following diagram summarizes the structure of the entities before and after completion of the Purchase and Sale Agreement, as more particularly described under the heading "Describe the Business – Anticipated Changes in the Current Financial Year".

BEFORE PURCHASE AND SALE



AFTER PURCHASE AND SALE – Tranche 1



Intercorporate Relationships

In addition to the inter-corporate relationships described above, the Issuer owns presently owns 4,222 FCM Shares representing 12.24% of the outstanding shares of FCM Global, which relationship is described elsewhere in this prospectus.

DESCRIBE THE BUSINESS

History and Development of the Business

The Issuer is a British Columbia based company that aims to become a Licensed Producer through its 99% owned subsidiary MedicOasis. The commencement of the Issuer's operations depends on Health Canada granting MedicOasis a Cultivation License.

In January 2014, MedicOasis submitted an application to Health Canada to become a Licensed Producer of medical marijuana in relation to a separate property and facility. In March 2015, Health Canada confirmed to MedicOasis that its application cleared the Intake and Initial Screening stage (as set out below). As of March 2015, MedicOasis has been in the Detailed Review and Security Clearance Process stage (as set out below). In January 2018, MedicOasis realized that its then site would not be suitable and advised Health Canada accordingly. In May 2018, Health Canada confirmed that MedicOasis' application would retain its position in the review stage queue; however, MedicOasis would need to submit for the new location, relevant municipal authorities' letters, floor plans, certificate of location, zoning, new security report and floor plans. On May 31, 2018, the Issuer purchased 99% of the MedicOasis Shares.

In July 2018, the Issuer entered into an 11 year commercial lease agreement for 31,688 square feet of space in the City of Dorval, Province of Quebec, for the purpose of growing, manufacturing and distributing legal cannabis. The minimum rent is $4.50 per square foot for years 1 to 5 and $5.25 per square foot for years 6 to 11. Additional rent is estimated at $3.18 for the year 2018. Under the lease for the Dorval Property, the Issuer has a right of first offer on any adjacent space which becomes available for lease. If the Issuer does not obtain the necessary permits to cultivate legal cannabis, it has an option to terminate the lease after the first year. The Issuer intends for the Dorval Property to be built out for the purposes of resubmitting MedicOasis' application to Health Canada.

During 2018, the Issuer completed various private placements to raise funds for its business. Please see "Prior Sales" and the Issuer's Management Discussion and Analysis included in this Prospectus for further information.

As of the date of this Prospectus, MedicOasis' application to Health Canada must be resubmitted based on the Dorval Property. Over the next three to six months, the Issuer will complete the necessary requirements to get Health Canada approval on the Dorval Property as well as complete the pre-construction planning needed for city permit approval.

For the re-submitted application, the Issuer must submit the consent of the owner/landlord for the Dorval Property as it relates to the proposed use of the Dorval Property, which the Issuer has obtained. The Issuer must obtain letters from the local fire chief, police chief and municipal government indicating approval for the site and its operations. The Issuer has hired an architect to draft the preliminary floor plan. This will include three plans: (1) permit plans for municipal construction permits, (2) plans for Health Canada to demonstrate flow of operation, layout and HVAC positioning, and (3) security report and floor plan, with the assistance of a local security contractor to demonstrate components of the security system, to meet Health Canada requirements. A certificate of location, a type of building survey, from the local municipality is required to confirm validity of the proposed site. This is followed by a building zone confirmation which is another Health Canada requirement to ensure the business use is acceptable in the proposed location. A satellite survey must follow which is an image that clearly shows a 500-meter radius from the proposed site location via satellite image. It is a requirement for Health Canada to note zoning by-laws and neighbors around the proposed location. All standard operating procedures will have to be updated for the new location which will be done by the Quality Assurance professional on the application and forwarded as an amendment to the original application

While the Issuer expects MedicOasis to receive a Cultivation License from Health Canada in 2019, there is no guarantee that such a license will be granted, nor can the Issuer or MedicOasis predict the timing of the grant of such license by Health Canada.

Investments Outside Canada

The Issuer is actively pursuing opportunities to create international alliances with local partners in other jurisdictions to expand its expertise, opportunities, experience, technology, and production abilities through increased cultivation space. The Issuer will only conduct business in jurisdictions outside of Canada where such operations are federally legal.

In April 2018, the Issuer loaned USD$200,000 to FCM Global under the Orion Loan Agreement, in anticipation of its then-pending relationship with FCM Global in Colombia. In May 2018, the Issuer entered into the FCM Agreement with FCM Global and in June 2018, entered into a shareholders' agreement with the other shareholders of FCM Global to govern the Issuer's relationship as a shareholder of FCM Global. The funds loaned under the Orion Loan Agreement were wrapped into the FCM Agreement as investment amounts for FCM Shares. Please see "Describe the Business – Foreign Operations".

At present, the Issuer does not intend to engage in any U.S. marijuana-related activities as defined in CSA Staff Notice 51-352 (Revised) *Issuers with U.S. Marijuana-Related Activities* dated February 8, 2018 while such activities are federally illegal in the U.S.

Products and Services

The Issuer is committed to developing the Quebec Facility at the Dorval Property.

Specialized Skill and Knowledge

The Issuer's business requires specialized skills and knowledge. Specialized skills and knowledge are required in the areas of cultivation and growing medical cannabis in both indoor and greenhouse facilities in accordance with the ACMPR requirements.

Canadian Regulatory Regime on Medical Cannabis

As discussed above, MedicOasis is an applicant in the process of becoming a Licensed Producer. As a result, it remains subject to the vigorous review of Health Canada before it will be granted a Cultivation License, including the review of security measures, review of the proposed site at the Dorval Property and other requirements as set out more fully below. If

MedicOasis is granted a Cultivation License and becomes a Licensed Producer, it is then subject to the various ongoing compliance and reporting requirements under the laws and regulations under the current legal regime, such as the ACMPR.

Medical Marijuana

"Medical Marijuana" (meaning the use of cannabis to treat disease or improve symptoms such as pain, muscle spasticity, nausea and other indications) can be administered using a variety of methods including, but not limited to, smoking dried buds, capsules, and oral/dermal sprays. Unlike the pharmaceutical options, individual elements within medical marijuana have not been isolated, concentrated and synthetically manipulated to a specific therapeutic effect. Based on a survey completed between April and June 2016 as reported in an article dated October 29, 2016, the most popular means of administering medical marijuana in Canada was by smoking/vapourizing dried buds. (Source: https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5086046/). The ACMPR prohibit any representations regarding any medicinal properties.

Sativa and Indica are the two main types of cannabis, and hybrid strains can be created when the genetics of each are crossed. Within these different types of cannabis there are many different varieties, within which there are many different cannabinoids, with the most common being THC and CBD.

Historical Legislation and Transition to ACMPR

Cannabis is currently a controlled substance listed in Schedule II of the *Controlled Drugs and Substances Act* (the "**CDSA**"), subject to repeal upon the coming into force of 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) (the "**Cannabis Act**"). Legal access to dried marijuana for medical purposes was first provided in 1999 using unique section 56 exemptions under the CDSA. In 2000, the Ontario Court of Appeal's decision in *R. v. Parker* held that individuals with a medical need had the right to possess marijuana for medical purposes, further striking down a prohibition against possession of marijuana for medical reasons. This led to the implementation of the MMAR in 2001. The MMAR enabled individuals with the authorization of their health care practitioner to access dried marijuana for medical purposes by producing their own marijuana plants, designating someone to produce for them or purchasing Health Canada supply. During this period the industry was hampered by continued court challenges and strict regulations from the Government of Canada.

In June 2013, the Government of Canada phased out the MMAR licensing scheme and replaced it with the MMPR after court decisions resulted in a number of changes to the MMAR. The aim of the MMPR was to treat marijuana as much as possible like other narcotics used for medical purposes resulting in conditions suitable for the creation of a commercial industry responsible for the production and distribution of marijuana for medical purposes. However, under the MMPR, individuals with a medical need could only access quality-controlled dried marijuana that was produced under secure and sanitary conditions by the Licensed Producers.

In June 2015, the Supreme Court of Canada, in *R. v. Smith,* decided that restricting legal access to only dried marijuana was unconstitutional. The Supreme Court decided that individuals with a medical need have the right to use and make other cannabis products. To eliminate uncertainty around a legal source of supply of cannabis, the Minister of Health issued section 56 class exemptions under the CDSA in July 2015, to allow, among other things, licensed producers to produce and sell cannabis oil and fresh marijuana buds and leaves in addition to dried marijuana, and to allow authorized users to possess and alter different forms of cannabis.

In February 2016, the Federal Court of Canada released its decision in *Allard v. Canada* (the "Allard Decision"), which found that requiring individuals to obtain medical marijuana only from Licensed Producers, pursuant to the MMPR, violated liberty and security rights protected by section 7 of the Canadian Charter of Rights and Freedoms. The Court found that the individuals who require marijuana for medical purposes did not have "reasonable access". As a result, the Federal Court gave the Government of Canada six months to come up with new rules.

In response to the Allard Decision, on August 11, 2016, the Government of Canada announced the ACMPR which replaced the MMPR effective August 24, 2016. (Source: Government of Canada's Understanding the New Access to Cannabis for Medical Purposes Regulations <https://www.canada.ca/en/health-canada/services/publications/drugs-health-products/understanding-new-access-to-cannabis-for-medical-purposes-regulations.html>)

The ACMPR contains four parts. Part 1 is similar to the framework under the MMPR as it sets out a framework for commercial production by Licensed Producers responsible for the production and distribution of quality-controlled fresh or dried marijuana or cannabis oil or starting materials (i.e., marijuana seeds and plants) in secure and sanitary conditions. Part 2 is similar to the former MMAR regime. It sets out provisions for individuals to produce a limited amount of cannabis for their own medical purposes or to designate someone to produce it for them. With registration, individuals will be allowed to produce a limited number of plants based on a formula that takes into account the individual's daily dose (i.e. quantity authorized by their physician) and the average yield of a plant under certain growing conditions, such as indoor or outdoor growing. Parts 3 and 4 include:

- Transitional provisions, which mainly relate to the continuation of MMPR activities by Licensed Producers; and
- Consequential amendments to other regulations that referenced the MMPR (i.e., Narcotic Control Regulations, New Classes of Practitioners Regulations) to update definitions and broaden the scope of products beyond dried marijuana.

As of August 24, 2016, Health Canada has accepted applications from individuals who wish to register to produce a limited amount of cannabis for their own medical purposes or to designate someone to produce cannabis for them.

In administering the ACMPR, Health Canada has two main roles: (1) licensing and overseeing the commercial industry; and, (2) registering individuals to produce a limited amount of cannabis for their own medical purposes (or to have another individual produce it for them). With respect to the Licensed Producers, Health Canada officials will continue to conduct a thorough review of the information on applications to ensure compliance with the regulations and associated Directives (i.e., the Security Directive). Health Canada will also continue to work closely with producers once they are licensed as a means of monitoring and ensuring compliance with the regulations and the CDSA, including through inspections.

As of July 23, 2018, Health Canada has issued 114 licenses to Licensed Producers across Canada (Source: https://www.canada.ca/en/health-canada/services/drugs-medication/cannabis/licensed-producers/authorized-licensed-producers-medical-purposes.html).

Becoming a Licensed Producer – Application Process

All applications to become a Licensed Producer of cannabis for medical purposes undergoes a strict and thorough review by Health Canada. An application is subject to ongoing review based on a variety of factors, including but not limited to, the receipt of updated information, new developments, and the results of subsequent reviews of the application. Applicants should not assume the adequacy of any part of their application based on their stage in the application process.

As of May 25, 2017, the application process for becoming a Licensed Producer includes the following:

- Intake and Initial Screening;
- Detailed Review and Initiation of Security Clearance Process;
- Issuance of License to Produce;
- Introductory Inspection (as cultivation begins);
- Pre-Sales Inspection; and
- Issuance of License to Sell.

Intake and Initial Screening: When an application is received, it undergoes an assessment for completeness. If an application appears to be complete, it will be assigned an application number. The Initial Screening includes an assessment of the proposed business plan, the Security Clearance Application Form and record-keeping methods pertaining to security, Good Production Practices (cleanliness of the premises and equipment, employment of a quality assurance person with appropriate training, and technical knowledge to approve the quality of fresh and dried marijuana, marijuana plants and seeds, and cannabis oil prior to making it available for sale), inventory, and destruction methods.

Detailed Review and Initiation of Security Clearance Process: All information submitted to Health Canada, and any other relevant information, is reviewed to complete the assessment of the application to ensure that it meets the requirements of the ACMPR, to establish that the issuance of a 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 establish that there are no other grounds for refusing the application.

An application will be thoroughly reviewed to ensure that 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 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 will be reviewed and assessed in detail at this stage.

Once paper-based review has been deemed satisfactory, site evidence will be requested. Once there is evidence of site and facility completion and the following requirements are met, a Cultivation License will be granted:

- confirmation of the qualified Quality Assurance Person for the proposed site;
- confirmation that the perimeter of the site is in compliance with sections 54-56 of Subdivision C of the ACMPR;
- confirmation that the facility has been built meeting the requirements that the areas where cannabis is present is in compliance with Subdivision C of the ACMPR and the storage area is in compliance with section 25(2) of the ACMPR; and
- confirmation that the record-keeping requirements of the ACMPR for the production of cannabis are met.

Issuance of License to Produce: Once Health Canada confirms that the requirements of the ACMPR have been met, and the application successfully completes the Detailed Review and Security Clearance stage, a Cultivation License will be issued.

Introductory Inspection: As part of the terms and conditions of a Cultivation License, 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 correspond to those indicated on their license.

Before being authorized for the activity of sale, the Licensed Producer must undergo a Pre-Sale Inspection by Health Canada to verify that they are in full compliance with all requirements of the ACMPR, with a focus on Good Production Practices.

Pre-Sales Inspection: If a Licensed Producer wishes to add the activity of sale to their existing license, an amendment application must be submitted to the Office of Medical Cannabis. Health Canada will then schedule an inspection to verify that the Licensed Producer 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.

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 amendment application, the following information is reviewed:

- results of the pre-sale inspection;
- information submitted in the amendment application to add the activity of sale to the license; and
- any other relevant information.

When the review is completed, an amended license, being an amendment to the initial Cultivation License (a "Sales License") which includes the activity of sale, is issued to the Licensed Producer. The Licensed Producer may then begin supplying cannabis products to registered clients, other Licensed Producer and/or other parties named in subsection 22(2) of the ACMPR, depending on the activities licensed. Separate licenses may be issued for dried marijuana, plants and/or cannabis oil.

Reporting Requirements as a Licensed Producer

After receiving a Cultivation License, a Licensed Producer will be subject to a wide variety of compliance and enforcement activities conducted by Health Canada such as rigorous testing of cannabis products and derivatives provided by such producers. In addition, Health Canada will typically perform unannounced inspections on a Licensed Producer's facility to ensure adequate security measures and production practices are in place.

A Licensed Producer will be subject to the specific conditions set out in their license(s) and the following requirements under the ACMPR such as:

- reporting the occurrence of any theft of cannabis or an unusual waste or disappearance of cannabis that cannot be explained on the basis of normally accepted business activities, to a member of a police force within 24 hours after becoming aware of it and provide a written report to the Minister of Health of Canada (the "Minister" or "Minister of Health") within 10 days after becoming aware of the occurrence;

- applying for and obtaining the Minister's approval before making a change involving the replacement or the addition of: (i) the senior person in charge; (ii) the Responsible Person in Charge and, if applicable, the alternate Responsible Person in Charge; (iii) an officer or director; or (iv) an individual authorized to place an order for cannabis on behalf of the Licensed Producer;

- notifying the Minister if a person ceases to be an officer or director of the Licensed Producer;

- notifying the Minister, within five days after such change, of any change to the method used for keeping records or the telephone number, the facsimile number, or the email address for the Licensed Producer's site or each building within the site where the activities are conducted under a Cultivation License;

- providing the Minister with a case report, in respect of fresh or dried cannabis or cannabis oil provided or sold, for each serious adverse reaction to the substance within 15 days after the day on which the Licensed Producer becomes aware of the reaction; and

- annually preparing and maintaining a summary report that contains a concise and critical analysis of all adverse reactions to fresh or dried cannabis or cannabis oil provided or sold by the Licensed Producer that have occurred during the previous 12 months (the serious adverse reaction reports and annual summary reports must be retained for a period of 25 years after the day on which they were made).

Licensed Producers must also provide to Health Canada, on or before the 15th day of each month, a report indicating detailed information relating to their operations, including but not limited to:

- with respect to fresh and dried marijuana, cannabis oil, cannabis seeds and marijuana plants, as well as the amounts received from another Licensed Producer as follows: (i) total amount produced in the reporting period; (ii) amount released for sale in the reporting period; (iii) amount of fresh and dried marijuana produced in the reporting period and intended for extraction activities; and (iv) amount received from other Licensed Producers during the reporting period;

- with respect to fresh and dried marijuana, cannabis oil, cannabis seeds and marijuana plants, the total amount sold or transferred to the following during the reporting period: (i) registered clients; (ii) other Licensed Producers; and (iii) licensed dealers;

- with respect to fresh and dried marijuana and cannabis oil, as of the final day of the reporting period, the amounts held in inventory as follows: (i) total amount held in inventory; (ii) amount intended for sale but not yet approved held in inventory; (iii) amount approved for sale held in inventory; (iv) amount of samples in inventory; and (v) amount of fresh and dried marijuana intended for extraction activities held in inventory;

- with respect to cannabis seeds and marijuana plants: (i) the total number of plants held in inventory; (ii) the number of plants destined to be sold as starting material held in inventory; (iii) the total weight of seeds held in inventory; and (iv) the number and weight of seeds destined to be sold as starting material held in inventory;

- the total amounts ready to be destroyed, but still held in inventory on the final day of the reporting period;

- total amount of cannabis lost or stolen during the reporting period;

- with respect to fresh and dried marijuana, cannabis oil, cannabis seeds and marijuana plants, the total amount: (i) that was destroyed during the reporting period; and (ii) of waste (e.g., plants, leaves, twigs) destroyed during the reporting period;

- with respect to fresh and dried marijuana, cannabis oil, cannabis seeds and marijuana plants, the total amount returned during the reporting period;

- the total number of shipments sent to the following during the reporting period: (i) registered clients; (ii) registered clients for interim supply; (iii) other Licensed Producers; and (iv) licensed dealers;

- the total number of shipments sent to the following in each province and territory: (i) registered clients; (ii) registered clients for interim supply; other Licensed Producers; and (iii) licensed dealers;

- average daily amount of marijuana for medical purposes authorized;

- median daily amount of marijuana for medical purposes authorized;

- list of ten highest unique daily authorized amounts and the frequency with which they occur;

- cannabis with which they are conducting research and development activities;

- list of daily authorized amounts in specified increments:
    - a. 0 to 1 grams,
    - b. 1.1 to 2 grams,
    - c. 2.1 to 3 grams,
    - d. 3.1 to 4 grams,
    - e. 4.1 to 5 grams,
    - f. 5 to 10 grams,
    - g. 10 to 15 grams, and
    - h. > 15 grams;
- total number of shipments to registered clients per each 10 gram interval between 0 and 150 grams;

- list of all health care practitioners who have completed medical documents for cannabis for medical purposes for registered clients and their location;

- list of all nurse practitioners who have completed medical documents for cannabis for medical purposes for registered clients and their location;

- cannabis with which they are conducting R&D activities; and

- activities with respect to cannabis products, other than marijuana or cannabis oil (e.g. cannabis resin).

In January 2018, Health Canada further revised the ACMPR, modifying the requirements for vault storage of cannabis products and video surveillance of Licensed Producers' facilities to better align the requirements with the risks to public health and safety. Licensed Producers are no longer required to have 24/7 video surveillance of cultivation, propagation or harvesting areas. In addition, Licensed Producers are no longer required to meet the vault and storage measures outlined in the existing "Directive on Physical Security Requirements for Controlled Substances". Instead, Licensed Producers are required to store cannabis within a secure area of their facility. The area must be secured with physical barriers, an intrusion detection system, and 24/7 visual monitoring and recording capability. A record of the identity of every person entering or exiting the storage area must be maintained, and access to those areas must be restricted to those whose presence is required by their work responsibilities.

Importation and Exportation of Cannabis for Medical Purposes

In an information bulletin dated August 24, 2016, Health Canada set out the principles and their position on the import and export of marijuana by Licensed Producers. Canada's cannabis regime is not intended to make Canada an exporter of cannabis, nor to enable importation as an alternative to domestic production. The Government of Canada does not support facilitating a regime premised on servicing global demand given the associated public health, safety and security risks. Important and exportation would be permitted under very limited circumstances, such as, importing starting materials for a new Licensed Producer or exporting a unique marijuana strain for scientific investigation in a foreign laboratory.

As cannabis is a narcotic, it has the potential for serious public health, safety and security risks. Except for the limited products with a Drug Identification Number ("DIN"), cannabis's efficacy and safety has not been established and it has not received approval under the Food and Drugs Act ("FDA"). Its abuse has broad societal and economic consequences and can result in harm to health and to society when diverted or misused.

Import and export can undermine the Canadian regime's public health and safety objectives by exacerbating risks related to higher inventory levels, large shipments over long distances and the inability to apply Canada's strict security requirements beyond Canada's borders. Potential risks are further elevated due to the fact that imported product cannot be subject to the same level of quality-focused on-site inspections.

In addition, the import and export provisions operate in the context of Canada's international drug treaty obligations. As such, they are not a vehicle for supplying cannabis to foreign markets where recreational use is legal.

If a Licensed Producer places an application to be able to import or export marijuana under Part 1 of the ACMPR and the Narcotic Control Regulations ("NCR"), they will be subject to the principles under the Bulletin and the following public health, safety and security considerations:

- Canada's obligations under international treaties - Canada is a signatory to the Single Convention on Narcotic Drugs, 1961 as amended by the 1972 Protocol, the Convention on Psychotropic Substances, 1971, and the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988. Health Canada has an obligation to maintain control over the movement of cannabis in a manner consistent with these international drug control conventions which strictly limit trade in cannabis to medical and scientific purposes between countries with the International Narcotics Control Board's confirmed estimates;

- Whether the application is consistent with the relevant provisions in the ACMPR or the NCR;

- For export permits, whether the country of final destination has issued an import permit; and

- Risks to public safety and security including the risks of diversion.

The above does not apply to a drug containing cannabis (e.g. Sativex and Cesamet) with a DIN approved in accordance with the FDA and its regulations or cannabis regulated under the Industrial Hemp Regulations SOR/98-156.

Legalization of Recreational Cannabis

Background

As of the date of this Prospectus, the recreational use of cannabis is illegal in Canada; however the Cannabis Act (as defined below) which legalizes the production, distribution, use and sale of cannabis became law and is expected to come into force on October 17, 2018.

In April 2016, the Government of Canada announced its intention to introduce legislation to legalize adult-use recreational cannabis in Canada by the summer of 2017. The content and form of this proposed legislation is still in process. On June 30, 2016, the Government of Canada announced the establishment of the Task Force to Seek Input On the Design of a Comprehensive System to Legalize, Regulate and Restrict Access to Cannabis (the "Task Force"). The Task Force issued its final report, titled "A Framework for the Legalization and Regulation of Cannabis in Canada", on November 30, 2016 (the "Report"), which contained more than 80 recommendations to federal, provincial, territorial and municipal governments in Canada. The report recommends, among other things, that the Federal Government of Canada regulate the production of cannabis and its derivatives (oils, edibles and concentrates), the provinces and territories regulate the wholesale distribution of cannabis and its derivatives, and retail sales be regulated by the provinces and territories in close collaboration with Canadian municipalities. The Report further recommended allowing personal cultivation of cannabis for non-medical purposes with conditions including: a limit of four plants per residence, a maximum plant-height of 100 cm, a prohibition on dangerous manufacturing processes, reasonable security measures to prevent theft and youth access, and oversight and approval by local authorities. The need to improve the public's understanding of cannabis, including risks to youth and impaired driving was also noted in the Report.

Bill C-45 and Legislation to Legalize Recreational Use of Cannabis

On April 13, 2017, Bill C-45, the Cannabis Act, was introduced in the House of Commons to regulate the production, distribution and sale of cannabis for unqualified adult use. On June 21, 2018, Bill C-45, the Cannabis Act, became law when it received Royal Assent. Bill C-45 is legislation that will legalize access to recreational cannabis in Canada upon coming into force on October 17, 2018. Once the Cannabis Act comes into force, adults who are 18 or 19 years of age and older (depending on the province or territory) will be able to legally purchase, grow and use a limited quantity of cannabis.

Until that time, cannabis remains illegal in Canada, unless authorized for medical or scientific purposes. The information provided below is intended to be of a summary of Bill C-45. For complete and more detailed information with respect to the legalization of recreational cannabis in Canada, the full text of Bill C-45 should be referred to for complete details.

Bill C-45 will, among other items:

- Allow all Canadians who are 18 years of age or older, subject to additional age limits imposed by provincial governments, to purchase cannabis by mail and in either private retail outlets or provincially regulated retail spaces.
- Allow individuals to grow up to four plants in their residence, subject to any further restrictions implemented by the respective provincial legislation.
- Permit a possession limit of dried cannabis would be set at 30 grams.
- Allow the establishment of the legal framework for licenses and permits that will govern the importation, exportation, production, testing, packaging, labelling, sending, delivery, transportation, sale, possession or disposal of cannabis or any class of cannabis.
- Provide the Government of Canada with the power to establish a framework for applications for such licenses and permits.
- Provide transitional provisions with respect to applications for licenses submitted under the MMPR and ACMPR pursuant to Part 12 of Bill C-45. Applications submitted under the ACMPR will continue to be processed under the ACMPR.

Bill C-45 does not provide for the regulation of edible cannabis products, and it is expected that such products would be regulated and legalized at a later date.

While the production of recreational cannabis will be under the regulatory oversight of the Government of Canada, the distribution of adult-use recreational cannabis will be the responsibility of the provincial and territorial governments. The governments of all the provinces and territories of Canada have made varying announcements on the proposed regulatory regimes for distribution and sale of cannabis for recreational purposes. It has been announced that the legal age of consumption is 18 years of age and older in Alberta and Quebec, whereas it is 19 years of age and older in the rest of the provinces and territories of Canada. For the sale and distribution of recreational marijuana, the provinces and territories of Canada also have varied regimes:

- Alberta and Newfoundland and Labrador will allow privately-run retail stores and government-operated online sales;

- British Columbia will allow government and privately-run retail stores and online sales;

- Manitoba and Saskatchewan will allow privately-run storefronts and online sales;

- Quebec, New Brunswick, Prince Edward Island, Nova Scotia and Yukon will allow government-operated storefronts and online sales;

- The Northwest Territories will allow the sales from stores (initially existing liquor stores with the possibility of transitioning to “cannabis-only” stores under the authority of the provincial liquor commission) and government-operated online sales

- Nunavut will allow established online vendors to sell and private business can apply for a license to sell cannabis (however, there remain certain consultation requirements and stores will not be open in 2018)

- Ontario previously announced that they would allow-government-operated storefronts and online sales; however, on July 27, 2018, it was reported that the Ontario government will now allow private stores to sell marijuana, with the government managing the licensing of such stores, the distribution of the product to the stores and managing online sales (Source: https://www.cbc.ca/news/canada/toronto/cannabis-ontario-private-retailers-ford-1.4763921)

(Source: https://www.ctvnews.ca/canada/a-look-at-each-province-s-rules-for-marijuana-legalization-1.3894944)

Bill C-45 – Limited Advertising and Marketing

Bill C-45 prohibits any promotion, packaging and labeling of cannabis that could be appealing to young persons or encourage its consumption, while allowing consumers to have access to information with which they can make informed decisions about the consumption of cannabis.

In particular, Division 2 of Bill C-45 provides for broad restrictions on the promotion, packaging and labeling, display, and sale and distribution of cannabis and cannabis accessories. The promotion, packaging and labeling, display and sale and distribution of cannabis and cannabis accessories will be strictly controlled to prevent persons under the age of 18 from being exposed to such activities and to prevent the encouragement of consumption of cannabis. As such, the promotion, packaging and labeling, display and sale and distribution of cannabis and cannabis accessories will take place in a highly regulated environment. For example, the Cannabis Regulations require cannabis packaging to have a mandatory health warning, a standardized cannabis symbol and information specifying THC and CBD content among other items. The colour, texture and type of wrapping is also strictly regulated.

Following the passage of the proposed Bill C-45 by the Federal House of Commons on November 27, 2017, the legislation was before the Senate where it became subject to further debate and study. On March 22, 2018, Bill C-45 was adopted at second reading in the Senate and referred to the Senate Committee on Social Affairs, Science, and Technology. Four other committees also studied aspects of the bill. On May 1, 2018, members of the Senate's Aboriginal Peoples Committee recommended delaying the legalization of cannabis for up to a year in order to address Aboriginal concerns. On May 29, 2018, the Standing Senate Committee on Social Affairs, Science and Technology passed 40 amendments to the bill. On May 31, 2018, debate began at third reading and on June 7, 2018, Bill C-45, as amended, was adopted by the Senate. The House of Commons accepted some of the Senate's amendments and disagreed with respect to others. On June 19, 2018, senators voted 52 to 29, with two abstentions, to adopt a motion to inform the House of Commons that the Senate would not insist on further amendments with which the House had disagreed. The bill received Royal Assent on June 21, 2018 and is now law.

Regulatory Developments

On November 21, 2017, Health Canada released a consultation paper entitled "Proposed Approach to the Regulation of Cannabis" (the "Consultation Paper"). Recognizing the Government of Canada's commitment to bringing the Cannabis Act into force, the Consultation Paper, among other things, sought 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.

The Consultation Paper is divided into the following seven major categories:

- Licenses, Permits and Authorizations;
- Security Clearances;
- Cannabis Tracking System;
- Cannabis Products;
- Packaging and Labelling;
- Cannabis for Medical Purposes; and
- Health Products and Cosmetics Containing Cannabis.

On March 19, 2018, Health Canada published comments received during public consultation on the matters contained in the Consultation Paper. Respondents were generally in favour of the proposed licenses and permits, the proposed tracking system, and proposals regarding medical cannabis and health products and cosmetics containing marijuana. In respect of security clearances, the majority of respondents were in favour of persons with non-violent or low-risk criminal history being able to obtain a license. Support varied with respect to proposals surrounding edibles and other cannabis related products. Health Canada had published specific details regarding packaging and labelling requirements. Some respondents suggested additional requirements to include more information on the label, with mixed reviews regarding packaging and branding restrictions. In response to the comments, Health Canada clarified what labelling requirements might be by indicating that the labelling and branding requirements might be similar to the strict requirements applicable to tobacco packaging rather than the relatively relaxed requirements applicable to the packaging of alcohol products.

Licenses, Permits and Authorizations

The Consultation Paper proposed different types of authorizations based on the activity being undertaken and, in some cases, the scale of the activity. Rules and requirements for different categories of authorized activities would be

proportional to the public health and safety risks posed by each category of activity. The types of proposed authorizations include: (i) cultivation; (ii) processing; (iii) sale to the public for medical purposes and nonmedical purposes in provinces and territories that have not enacted a retail framework; (iv) analytical testing; (v) import/export; and (vi) research.

A license to produce recreational marijuana would allow for both large-scale and small-scale (i.e. micro) growing of cannabis, subject to a stipulated threshold. Industrial hemp and nursery licenses would also be issued as a subset of cultivation licenses.

The Consultation Paper proposed that all licenses issued under the Cannabis Act should be valid for a period of no more than five years and that no licensed activity could be conducted in a dwelling-house.

Security Clearances

It was proposed that select personnel (including individuals occupying a "key position", directors, officers, large shareholders and individuals identified by the Minister of Health) associated with certain licenses issued under the Cannabis Act would be obliged to hold a valid security clearance issued by the Minister of Health. The Consultation Paper would enable the Minister of Health to refuse to grant security clearances to individuals with associations to organized crime or with past convictions for, or an association with, drug trafficking, corruption or violent offences. It has been proposed that the Minister of Health would be authorized to grant security clearances to any individual on a case-by-case basis.

Cannabis Tracking System

Under the Cannabis Act, the Minister of Health would be authorized to establish and maintain a national cannabis tracking system. The purpose of this system would be to track cannabis throughout the supply chain to help prevent diversion of cannabis into the illicit market, and out of, the legal market. The Consultation Paper proposes to provide the Minister of Health with the authority to make a ministerial order that would require certain persons named in such order to report specific information about their authorized activities with cannabis, in the form and manner specified by the Minister.

Cannabis Products

The Consultation Paper proposed to permit the sale to the public of dried cannabis, cannabis oil, fresh cannabis, cannabis plants, and cannabis seeds. It is proposed that the sale of edible cannabis products and concentrates (such as hashish, wax and vaping products) would only be permitted within one year following the coming into force of the Cannabis Act.

The Consultation Paper acknowledges that a range of product forms should be allowed in order to aid the legal cannabis industry in displacing the illegal market. Additional product forms that are mentioned in the Consultation Paper include "pre-rolled" cannabis and vaporization cartridges manufactured with dried cannabis. Specific details related to these new products are to be set out in a subsequent regulatory proposal.

Packaging and Labelling

The Consultation Paper proposed requirements pertaining to the packaging and labelling of cannabis products. Such requirements would promote informed consumer choice and allow for the safe handling and transportation of cannabis. Consistent with the requirements under the ACMPR, the Consultation Paper proposed that all cannabis products be packaged in a manner that is tamper-evident and child-resistant.

While minor allowances for branding would be permitted, Health Canada is proposing strict limits on the use of colours, graphics, and other special characteristics of packaging, and products would be required to be labelled with specific information about the product, contain mandatory health warnings similar to tobacco products, and be marked with a clearly recognizable standardized cannabis symbol.

Cannabis for Medical Purposes

The proposed medical access regulatory framework would remain substantively the same as currently exists under the ACMPR, with proposed adjustments to create consistency with rules for non-medical use, improve patient access, and reduce the risk of abuse within the medical access system.

Health Products and Cosmetics Containing Cannabis

Under the current legislative framework, the CDSA and the FDA work together in establishing strict parameters for the sale of health products and cosmetics containing controlled substances, such as cannabis. Currently, cannabis is listed as a controlled substance under the CDSA and it is also subject to the FDA because it meets the definition of a drug. The FDA aims to protect and promote the health of Canadians by regulating the safety, efficacy and quality of health products that are approved with health claims, such as prescription and non-prescription drug products for human and veterinary use, natural health products, veterinary health products and medical devices. These health products can only be sold if they have been approved by Health Canada following a scientific review. The FDA also sets out regulations for cosmetics. All cosmetics sold in Canada must be safe to use and must meet the requirements of the FDA and applicable regulations relating to cosmetics.

In keeping with the objectives of the Cannabis Act to legalize and regulate cannabis, and the health and safety mandate of the FDA, Health Canada intends to maintain a scientific, evidence-based approach for health products with cannabis that are approved with health claims. These products will be subject to the requirements of the FDA and applicable regulations and will need to meet the requirements for safety, efficacy and quality. Under the Consultation Paper, the use of cannabis-derived ingredients (other than certain hemp seed derivatives containing no more than 10 parts per million THC) in cosmetics, which is currently prohibited, is proposed to be permitted and subject to provisions of the proposed Cannabis Act.

Publication of the Regulations Supporting the Cannabis Act

On July 11, 2018 regulations supporting the Cannabis Act were published in the Canada Gazette, being the Cannabis Regulations SOR/2018-144 and the Industrial Hemp Regulations SOR/2018-145 (together, the "Cannabis Act Regulations"). The Cannabis Act Regulations address the seven major categories discussed in the Consultation Paper above. The Cannabis Act Regulations will also come into force when the Cannabis Act comes into force on October 17, 2018, at which point cannabis will cease to be regulated under the CDSA and will be regulated by the Cannabis Act. The two current regulations under the CDSA related to cannabis, the ACMPR and the Industrial Hemp Regulations will then be repealed. Certain regulations under the Foods and Drugs Act will also be amended.

The Cannabis Act Regulations was a result of the consideration of existing regulations and the extensive consultations undertaken by the Task Force. The regulatory framework will establish the rules and standards applicable to authorized production, distribution, sale, importation and exportation of various classes of cannabis (dried cannabis, fresh cannabis, cannabis oil, cannabis plants and intended to support "the governments' public health and public safety goals of restricting youth access to cannabis, minimizing the harms of cannabis use and preventing criminals and organized crime from profiting from the production of cannabis" (Source: http://gazette.gc.ca/rp-pr/p2/2018/2018-07-11/pdf/g2-15214.pdf)

Cannabis Regulations SOR/2018-144

The Cannabis Regulations will regulate both recreational and medical cannabis by setting requirements for federally licensed cannabis producers, cannabis products, medical access framework and set out rules for prescriptions drugs including cannabis. The Cannabis Regulations will regulate, among others:

1. Requirements for six (6) classes of licenses: (a) cultivation, (b) processing, (c) sale, (d) analytical testing, (e) research and (f) cannabis drug licenses, with subclasses of licenses for cultivation and processing.

2. Permits for the import or export of cannabis for scientific or medical purposes or for industrial hemp.

3. Strict physical and personnel security requirements for licence holders.

4. Plain packaging requirements for cannabis products.

5. Labelling requirements for cannabis products, including mandatory health warnings and standardized cannabis symbols.

6. Access to cannabis for medical purposes, which will substantively incorporate the rules under the current ACMPR, with certain changes having been made to ensure consistency with rules for recreational marijuana use.

7. Manufacturers of prescription drugs containing cannabis being subject to the Food and Drugs Act and its regulations in addition to the Cannabis Act.

(Sources: http://gazette.gc.ca/rp-pr/p2/2018/2018-07-11/pdf/g2-15214.pdf; https://www.canada.ca/en/health-canada/services/drugs-medication/cannabis/laws-regulations/regulations-support-cannabis-act.html)

New Industrial Hemp Regulations SOR/2018-144

The New Industrial Hemp Regulations will set out the rules for cultivators of "industrial hemp" which is cannabis containing 0.3% THC or less in the flowering heads and leaves. The Industrial Hemp Regulations will be generally consistent with the current Industrial Hemp Regulations, but changes have been made to align license requirements to the relatively low risk posed by industrial hemp as compared to other varieties of cannabis and the allowance of sale of hemp plants (flowers, leaves and branches) to licensed cannabis processors. Holders of an industrial hemp license will be authorized to undertake related activities, including, possession, and transportation and industrial hemp will no longer be required to be stored in a locked container or a locked location or on premises to which only authorized persons have access. (Sources: http://gazette.gc.ca/rp-pr/p2/2018/2018-07-11/pdf/g2-15214.pdf; https://www.canada.ca/en/health-canada/services/drugs-medication/cannabis/laws-regulations/regulations-support-cannabis-act.html

Cannabis Market and Competitive Conditions

The Issuer believes that the market for medical marijuana and related products is growing in Canada. As of July 23, 2018, there were 114 Licensed Producers authorized to produce and/or sell medical marijuana to eligible persons under the ACMPR (Source: https://www.canada.ca/en/health-canada/services/drugs-medication/cannabis/licensed-producers/authorized-licensed-producers-medical-purposes.html). The Issuer expects significant competition from other companies operating in the ACMPR regime, particularly as many of these Licensed Producers are much larger and more established than MedicOasis.

As the demand for medical cannabis increases the Issuer expects that new competitors will continue to attempt to enter the market. Additionally, Health Canada may accelerate its processing of applications which may result in an acceleration in the rate at which applicants become Licensed Producers. The Issuer believes that, due to the complex regulatory environment and significant capital requirements for facilities and operations, subsequent Licensed Producers entering the industry will have diminished access to capital. The Issuer's planned capital investments in infrastructure are expected to allow the Issuer to operate competitively on the basis of the production capacity of 1,300 kg of cannabis oils per year and 6,500 kg of dry marijuana per year at its Québec Facility, particularly as its proposed vertical farming system would allow for production capacity of a 50,000 square foot space in a 20,000 square foot facility. Management expects that this will allow the Issuer to achieve sustainable margins in an increasingly competitive market.

As of the end of March 2018, the last month for which Heath Canada has provided data, there were 296,702 registered patients under the ACMPR. The number of Health Canada registered patients has consistently grown in each month on record. Sales of dried cannabis to registered patients in the period from July 1, 2017 to March 31, 2018, totaled 18,857 kg, and sales of cannabis oil totaled 24,691 kg. (Source: Health Canada website at https://www.canada.ca/en/health-canada/services/drugs-medication/cannabis/licensed-producers/market-data.html)

In addition, recreational cannabis will become legal in Canada on October 17, 2018. The potential size of the adult recreational market for cannabis has been estimated to be between $4.9 billion and $8.7 billion on the basis of a national survey of 5,000 Canadians on their views on consumption of cannabis (Source: Recreational Marijuana Insights and Opportunities (2016) by Deloitte LLP). The survey indicated that 22% of Canadians consume cannabis on at least an occasional basis, with half of those (11%) consuming cannabis on a daily or weekly basis. In addition, a further 17% might be interested in using cannabis once it is legalized for recreational use. In total, 39% of Canadians are potential customers for cannabis products. To meet this demand, the Deloitte LLP report indicates that, conservatively, approximately 600,000 kg annual production of cannabis will be required.

Examples of current Licensed Producers listed on Health Canada's website include the following, any of whom may be competitors to the Issuer:

NAME	LOCATION
ABcann Medicinals Inc.	Ontario
Agripharm Corp.	Ontario
Agro-Biotech Inc.	Québec
Aurora Cannabis Enterprises Inc.	Alberta
Bliss Co Holdings Ltd.	British Columbia
Delta 9 Bio-Tech Ltd.	Manitoba
IsoCanMed Inc.	Québec
MedReleaf Corp.	Ontario
The Green Organic Dutchman Ltd.	Ontario
United Greeneries Ltd.	British Columbia
Whistler Medical Marijuana Corp.	British Columbia

Economic Dependence

MedicOasis will be economically dependent on Health Canada's grant of a Cultivation License and Sales License the ongoing regulatory requirements of and ongoing changes to the Canadian cannabis legal regime.

Changes to Contracts

The Issuer does not expect any changes to any of the material contracts it has for the current fiscal year.

However, the Issuer believes it is possible that the FCM Agreement may need to be amended, to cover certain mechanics of the conversion of the Bridge Loan Settlement (as described below in respect of the FCM Agreement).

Employees

Neither the Issuer nor MedicOasis has any employees. All work done for the Issuer and MedicOasis to-date has been performed by contractors and consultants.

Foreign Operations

The Issuer actively pursues opportunities to create international alliances which expand its expertise, technology, product offering, production capacity and general ability to satisfy the international markets. As part of its goal for international expansion through strategic partnerships, the Issuer has expanded into Colombia by entering into the FCM Agreement pursuant to which it acquired the option to purchase an aggregate interest of 49% in FCM Global.

FCM Agreement

FCM Global was incorporated under the laws of the Republic of Colombia under the name "FCM Global S.A.S." on October 15, 2015. The business address of FCM Global is Calle 7 Sur #42-70, Oficina 1412, Medellín, Colombia.

On May 26, 2018, as amended July 30, 2018, the Issuer entered into the FCM Agreement to carry out the purchase of up to an aggregate interest of 49% of the issued and outstanding ordinary shares of FCM Global ("**FCM Shares**"), as follows:

1. to acquire 25% of the political and economic rights of FCM Global, the Issuer will pay USD $7,500,000 as follows:

    (a) no later than May 31, 2018, the Issuer will convert the amount outstanding under the Orion Credit Agreement, comprised of USD $200,000 capital and accrued but unpaid interest in exchange for 575 FCM Shares;

    (b) in May 2018, USD $200,000 in exchange for 804 FCM Shares;

    (c) in June 2018, USD $200,000 in exchange for 804 FCM Shares;

    (d) in June 2018, USD $200,000 in exchange for 804 FCM Shares;

    (e) in July 2018, USD $250,000 in exchange for 1,006 FCM Shares;

    (f) in August 2018, USD $200,000 in exchange for 804 FCM Shares;

    (g) in September 2018, USD $150,000 in exchange for 603 FCM Shares;

    (h) in October 2018, USD $100,000 in exchange for 402 FCM Shares;

    (i) in September, October, or November 2018, Common Shares having a value of USD $1,000,000 in exchange for 4,022 FCM Shares;

    (j) in cash and/or in Common Shares, each valued at CAN $1.00 per Common Share or market value if listed, and/or capitalizing any Bridge Loan Settlement, [up to a maximum of USD $1,000,000], in exchange for 4,022 FCM Shares;

    (k) upon completion of all agreements and in June/July/August USD $1,500,000 in three equal payments of 763,000 Common Shares, each valued at CAN $0.85 per Common Share or market value if listed, or in cash, in exchange for 6,033 FCM Shares (for each payment);

    (l) in September, October or November 2018, USD $2,500,000 in three equal payments of 1,080,000 Common Shares, each valued at CAN $1.00 per Common Share or market value if listed, or in cash, in exchange for 10,058 FCM Shares,

    all of which are to be completed as part of multiple closings of the FCM Agreement;

2. upon listing of the Common Shares, the Issuer may:

    (a) within 3 Business Days accept the offer to acquire an additional 10% of the political and economic rights of FCM Global; and

    (b) provide USD $3,000,000 in cash or 3,900,000 Common Shares, each valued at CAN $1.00 per Common Share, in exchange for 18,564 FCM Shares,

    all of which are to be completed as part of further closings of the FCM Agreement; and

3. the Issuer will have the option to acquire an additional 14% of the capital of FCM Global on a fully diluted basis (the "Additional Shares"), as follows:

    (a) accept within 10 Business Days the option offer to make an additional capital contribution payment; and

    (b) within 3 Business Days following the acceptance of the option offer, make payment for the Additional Shares, as follows:

        (i) the price per share will be determined as the result of (i) multiplying the 2019 Normalized EBITDA by (A) 8.5 or (B) a market standard average EBITDA used for these kind of

transactions; and (ii) dividing the result of item (i) above by the number of Additional Shares (the "Price per Additional Share"); and

(ii) the total amount to be paid by the Issuer for the issuance of the Additional Shares will be determined by multiplying the Price per Additional Share to the number of Additional Shares,

all of which are to be completed as part of the further closing of the FCM Agreement.

All of the Common Shares issued to FCM Global will be subject to contractual restrictions on transfer as follows:

- 10% subject only to restrictions under applicable securities law and free-trading thereafter;
- 15% restricted until the date that is 6 months from the date of the first share issuance (June 22, 2018);
- 15% restricted until the date that is 12 months from June 22, 2018;
- 15% restricted until the date that is 18 months from June 22, 2018;
- 15% restricted until the date that is 24 months from June 22, 2018;
- 15% restricted until the date that is 30 months from June 22, 2018; and
- 15% restricted until the date that is 36 months from June 22, 2018.

See "Escrowed Securities and Securities Subject to Contractual Restriction on Transfer" for additional information.

FCM Global

FCM Global is headquartered in Medellin, Colombia and operates through its facility located in La Ceja, Antioquia, Columbia, a town approximately 40km southwest of Medellin. The La Ceja facility is located on property identified by land registry number 017-17016 and was secured by FCM Global pursuant to a lease agreement between FCM Global as lessee and Carlos Andres Velasquez Agudelo as lessor dated June 1, 2017. FCM Global supplies pharmaceutical, nutritional, wellness, and cosmetic companies in legal markets worldwide with customized medical non-psychoactive cannabis extracts, oils, and isolates at commercial scale. FCM Global also collaborates with clients on research & development.

FCM Global is Colombia's first licensed producer and exporter of non-psychoactive medical cannabis extracts for medical and research purposes. Its license permits it to engage in activities related to growing cannabis plants in which THC content does not exceed 1% of its dry weight, which may include sowing, acquisition and production of seeds, storage, marketing , distribution, and final disposal of plants, as well as the export and use for medical and scientific purposes. Pursuant to the terms of the FCM Cultivation License, FCM Global must carry on all cannabis activities in the La Ceja facility. Activities may be extended to other FCM Global properties and facilities if certain requirements are met.

Facilities and Production

FCM Global's La Ceja facility is a newly built, medical cannabis facility in Colombia. The facility is approximately 235,800 square feet with research, genetics, cultivation, extraction, packaging, storage, distribution, and export capabilities. The expected centralized production is set to reach 50 tons of extract by 2020. Pursuant to the terms of the FCM Cultivation License, all cultivation of non-psychoactive cannabis must occur in the La Ceja facility, which is not owned by FCM Global. However, the La Ceja facility was leased pursuant to a 12 month initial term commencing on July 1, 2017, with an automatic renewal for another 12 month period. Furthermore, the La Ceja facility lease was modified on October 1, 2017 in order to include an additional 107,640 square feet of cultivation space (inclusive within the total 235,800 square foot facility).

The FCM Global cultivation greenhouse, with over 150 beds, represents a sanitized and controlled environment which was purpose-built for maximizing the health and yield of each cannabis plant. Fully enclosed, the space features real-time monitoring, tracking, and analysis of all critical growth factors, including temperature, CO2, humidity, and soil pH levels. This system of sensors also helps prevent diseases and pests as well as efficiently manages the use of water, energy, and fertilizers. The irrigation systems are linked to a rainfall-fed onsite reservoir and nutritional delivery systems. FCM Global's green agricultural processes do not utilize synthetic fertilizers or toxic chemicals and are administered by a combination of automated regulation/delivery technologies and hands on methods which include visual inspections by professionals. FCM Global's greenhouse infrastructure includes blackout shades, circulation fans, cold LED lighting, humidifiers, and ventilators. All possible materials are recycled to minimize waste.

FCM Global's proprietary extraction method, which features an ultrasonic-assisted ethanol extraction system, has achieved a processing efficiency rate of 150 kilograms of raw material per hour. The resulting approach does not impact final cannabinoid and terpene profiles while realizing high extraction yield and consistent medical-grade quality. This process achieves the traditional benefits of CO2 extraction, while also enabling high degrees of extract customization, precise control over each stage in the process, cost-friendly operation and maintenance, 100% elimination and recapture of solvents (food-grade ethanol), and a long-lasting molecular stability of the final extract product. Each batch undergoes a range of quality tests, as well as receives an independent certificate of analysis.

The FCM Global platform benefits from seed-to-sale traceability and security and intrusion-detection systems. The La Ceja complex has its own onsite utilities and communications center and a project planning is underway to adopt solar power.

Corporate Social Responsibility

FCM Global's management is committed to being a responsible corporate citizen in Colombia, the only jurisdiction in which it develops its products. The goal of corporate social responsibility is to build positive relationships in the surrounding community. A strong corporate social responsibility program can have positive impacts in attracting and retaining qualified employees and fostering positive relationships with governmental regulatory bodies.

As a complement to its own proprietary cultivation efforts, FCM Global has diversified and scaled its sources of high-quality plant material through local partnerships with private Colombian companies and indigenous communities. These arrangements with indigenous communities include, assistance in in developing a legal framework to legitimize their operations by either obtaining their own licenses or extending FCM Global's license to them, sustainable economic models for the benefit of the community, generating high-quality jobs and legitimate taxable income stream, and share FCM Global knowhow, best practices, and technology across a wide range of aspects, including waste management.

Climate, Specialized Skill and Knowledge

Colombia's unique combination of equatorial climate, ideal luminosity, and optimal elevation make it a good place to sustainably cultivate medical cannabis. One of the top ranked countries for biodiversity, Colombia is the natural home to hundreds of indigenous cannabis strains and offers abundant access to renewable resources and rainwater. The second-largest exporter of both coffee and cut flowers globally, Colombia benefits from millions of hectares in suitable agricultural lands, existing agricultural infrastructure, and a large and experienced organic farming workforce.

The FCM Agreement is beneficial to the Issuer due to FCM Global's low production costs, access to high-quality extracts at commercial scale, and the ability to keep pace with a rapidly changing competitive landscape. FCM Global takes advantage of its climate and less expensive but skilled workforce to produces non-psychoactive cannabis oils and dried flower, including its VerdeCann Full Spectrum branded extracts which are rich in CBD, low in THC, and contain all the active cannabinoids, terpenes, fatty acids, flavonoids, vitamins, and minerals from the natural plant.

Beyond its operational cost-efficiency, Colombia is well-positioned to become a future geographic hub for the medical cannabis industry. Consistently ranked highly in Latin America for "Ease of Doing Business" by the World Bank (Source: http://www.doingbusiness.org/rankings?region=latin-america-and-caribbean), Colombia is a geo-strategic gateway connecting the Americas, with direct access to both the Atlantic and Pacific, and offers close proximity to high-potential markets such as Argentina, Brazil, Chile, and Mexico. Colombia also possesses a deep pool of relevant industry talent and a thriving medical research community.

Colombia Economic Profile

Colombia is Latin America's fourth largest economy ranked by estimated GDP. It ranks behind only Brazil, Mexico, and Argentina. Colombia is Latin America's fourth largest oil producer and the world's fourth largest coal producer, third largest coffee exporter, and second largest cut flowers exporter. Historically, Colombia has been dependent on energy and mining exports, making it vulnerable to fluctuations in commodity prices. However, agriculture has remained important to the economy of Colombia. The agricultural sector employs 17% of the labour force and composes 7.4% of the GDP of Colombia. (Source: https://www.indexmundi.com/colombia/economy_profile.html)

In terms of population size, Colombia ranks third in Latin America with a population north of 49 million individuals. A significant portion of the population (~40%) is under the age of 24 years and the median age is 30 (Source: https://www.indexmundi.com/colombia/demographics_profile.html).

Regulatory Framework in Colombia

Highlights of Cannabis Legalization in Colombia:

- Law 1787 of 2016 enacted by Colombian Congress, Decree 613 of 2017 and regulatory resolutions (577, 578 and 579 of August 8th of 2017 enacted by the Ministry of Justice and resolutions 2891 and 2892 of 2017 enacted by the Ministry of Health) formed a legal framework that regulates the actions of any company in Colombia working with cannabis for medical and scientific purposes, including the cultivation, production, and domestic and international distribution of cannabis, cannabis seeds, High THC Medicinal Cannabis, and Low THC Medicinal Cannabis extracts.
- Colombia's regulatory framework focuses on extracts to generate a purely medical product market and provides for product quality and consistency through INVIMA.
- The aim of the Colombian regulatory framework is to enable access for patients to medications made in Colombia that are safe, are of high-quality and accessible, while concurrently promoting scientific research in the country.

As of July 17, 2018, two years after the entry into force of Law 1787 and related laws summarized above, the Ministry of Justice and Law has issued 108 medical cannabis licenses in Colombia. Of the 108 licenses issued, 58 licenses were for the cultivation of non-psychoactive cannabis plants, 42 licenses were for the cultivation of psychoactive cannabis plants, and 8 licenses were issued for the use of seeds for sowing. It should be noted that 171 requests for licenses are in progress and there is a fourth license that allows for the manufacture of derivatives of cannabis, which is issued directly by the Ministry of Health and Social Protection. The cannabis framework established pursuant to Law 1787 aims to protect and strengthen the ability of small and medium sized growers, producers, and marketers of medicinal cannabis in Colombia.

Background – Drug Policies in Colombia prior to Cannabis Legalization

Prior to the legalization of medicinal cannabis in Colombia, drug policies were punitive in nature and heavily influenced by other international jurisdictions. While Colombia initially took a liberal approach to cannabis use in the early 20th century, its stance on prevention and prosecution became increasingly influenced by the stringent policies of the United States and the broader global community. During the second half of the 20th century, Colombia implemented policies with severe sanctions targeting all aspects and actions relating to the production and distribution of narcotics.

Year and legal framework		Colombian Approach to Drug Enforcement
1920	Law 11	Trafficking or consumption subject only to monetary penalties.
1928	Law 128	Established punitive sanctions and made it possible to seize controlled substances.
1936	Criminal Code	Criminalized the preparation, distribution, sale, or supply of narcotic substances. Penalties included minor sentences carried out in low-level security prisons.
1946	Law 45	Increased the penalties for breach of then-existing laws regulating activities related to narcotics with longer sentences and periods of solitary confinement carried out in medium-level security prisons.
1964	Decree 1669	Decree 1669 of 1964 criminalized the consumption of any narcotic substance.

1971	Decree 522	Punished the trafficking and cultivation of narcotics. The decree decriminalized their possession and use in private spaces but imposed a penalty of imprisonment of one to three months for public use.
1974	Decree 1188	Considered the first National Narcotics Statute, the Decree increased penalties for drug trafficking and criminalized consumption. From 1974 to 1980, Colombia ratified international agreements on drugs (Single Convention on Narcotic Drugs of 1961 and The Convention on Psychotropic Substances of 1971).
1986	Law 30	The National Narcotics Statute (ENE, or Estatuto Nacional de Estupefacientes), regulated by Decree 3788 of 1986, was one of several laws implemented between 1980 and 1993 that targeted trafficking and related activities as opposed to preventive and rehabilitative measures contained in preceding legislation.
1994	Judgment C-221	The Constitutional Court found those articles of Law 30 of 1986 that punish possession and consumption of a personal amount of up to 20 grams to be unconstitutional.
2009	Legislative act 02	A 2009 constitutional amendment prohibited possession and consumption of narcotic or psychotropic substances, unless medical prescription is provided.
2011	Law 1453	The Citizen Security Law that reformed the Criminal Code and eliminated the previous exemption from prosecution for narcotics possession if the quantity was equivalent to the legal personal dose.
2012	Judgment C-491	Possession of the legal personal dose remains decriminalized and drug use continued to be interpreted as an activity protected by the right to the free development of personality.

In the 1970s, a more hardline approach to narcotics was reinforced in response to the growing influence of international treaties and the efforts of governments to coordinate their drug policies. The 1980s saw an emphasis on comprehensive regulation, leading to the adoption of Law 30 (the ENE) in 1986, focused on the control and enforcement of criminal drug consumption and trafficking. Following the introduction of Law 30, Colombia signed the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances on December 20, 1988 and later ratified it on June 10, 1994.

In 1994, the decriminalization of personal possession and consumption was mandated by Judgment C-221 of 1994 of the Constitutional Court. While this represented a shift in approach by Colombian lawmakers, a constitutional amendment in 2009 reversed the effects of Judgment C-221 of 1994 and reinstated the prohibition on personal possession and consumption of narcotic or psychotropic substances, even on a personal dose basis, unless supported by a medical prescription.

Despite the constitutional amendment in 2009, in recent years Colombian legislation with respect to cannabis has trended towards a preventative and rehabilitative approach. The Citizen Security Law, enacted in 2011, reformed the Criminal Code and softened some of the punitive provisions relating to possession of personal amounts of narcotics. In Judgment C-491 by the Constitutional Court in 2012, the right to legally possess a personal amount of narcotics was upheld and the Court noted that drug use should continue to be understood as an activity protected by the right to the free development of personality. The Constitutional Court, through rulings SU-642 of 1998 and C-336 of 2008, among others, has established that the right to the free development of personality, also known as the right to autonomy and personal identity, grants individuals the right to self-determination, that is the freedom and independence to govern his/her own existence and determine a lifestyle according to his/her own interests; provided, that the rights of others and the constitutional order are respected.

In January 2013, the Advisory Commission on Drug Policy (the "Drug Policy Commission") was established in Columbia to provide recommendations on how legislation should treat criminal networks and citizen drug users, as well as the

appropriate quantities to be considered as suitable personal amounts. In July 2014, the Drug Policy Commission issued an initial report submitted to the Ministry of Justice analyzing the conditions of drug use in Colombia and proposing guidelines to update the policy.

In May 2015, the Drug Policy Commission published its final report, which proposed a review of the drug policy in the country and made important recommendations, such as: (i) the creation of an agency for drug policy; (ii) measures to help reduce the risk to consumers; (iii) to rethink the fumigation involved with cultivation; (iv) regulation of medicinal cannabis; (v) alternative means to measure the success of policies against drugs; (vi) modernize the National Statute on Drugs and Psychoactive Substances; and (vii) to lead the global drug policy debate.

As a result of the Drug Policy Commission and the final report, the Colombian President approved and sanctioned Law 1787 of 2016 which was intended to regulate the use of cannabis for therapeutic purposes. The law, initially presented by Senator Juan Manuel Galan in an effort to legalize cannabis for medical and scientific purposes marked a new direction in the legislative approach to drugs. Law 1787 amended articles 375, 376 and 377 of the Colombian Criminal Code (the "Criminal Code") to remove sanctions against the medical and scientific use of cannabis used under a license duly granted by the relevant authorities according to Colombian laws. This amendment was required given that the Criminal Code expressly provided a general prohibition to the cultivation, conservation or financing of marijuana plantations among other related activities.

In order to regulate the activities that had become legal by way of Law 1787, the Ministry of Health, Ministry of Justice, and Ministry of Agriculture issued Decree 613 of 2017 whereby they defined the different types of licenses that may be granted in respect of permissible activities related to medicinal cannabis including: (i) production of cannabis derivatives; (ii) use of seeds for planting; (iii) planting of psychoactive cannabis plants; and (iv) planting of non-psychoactive cannabis plants. The Decree also sets out the requirements and criteria for the assignment of quotas for psychoactive cannabis plant cultivation, cannabis by-product production and other related activities.

Cannabis Legalization Framework and Oversight of the Colombian Cannabis Industry

The Colombian government's increasingly pragmatic and liberal approach to cannabis culminated in the adoption of Law 1787. Throughout the 20th century, Colombia's lawmakers followed a global agenda that imposed strict prohibitions and harsh sanctions on drug use and trafficking. While certain domestic social conditions hindered the prospect of permitting a specifically medicinal use of an illicit drug, Colombia has changed course and constructed an effective legal framework with appropriate mechanisms to introduce and regulate the use of cannabis for medicinal purposes. The following table sets out the current legal landscape relating to cannabis in Colombia and discusses the legislative developments that have shaped the current progressive outlook.

General Legal Framework	
Colombia's Political Constitution	Article 49 of the Political Constitution of Colombia regulates the use and consumption of cannabis, stating that "everyone is guaranteed access to services of promotion, protection and recovery of health". Subsequently, through Legislative Act 02 of 2009, Article 49 was modified, adding the proviso that cannabis use is only legal with a medical prescription.
Colombian Criminal Code	Chapter II of Law 599 of 2000 of the Colombian Criminal Code ("Trafficking in Narcotic Drugs and the Infractions") outlines penalties and sanctions related to narcotics trafficking and associated activities, such as the conservation or financing of marijuana plantations or any other plant from which cocaine, morphine and heroin can be produced without the permission of the competent authority, and the manufacture of narcotic drugs that exceeds the dose for personal use permitted in Colombia.
Laws, Legislative Acts, and Decrees	
Law 30 of 1986	This law established the National Narcotics Statute of Colombia, defining terms such as drug, narcotic, medication and psychotropic and setting the legal personal amount for consumption of cannabis at 20 grams.
Decree 677 of 1995	*The* Synthetic Drugs Regulation and Good Production Practices *regulation establishes* the Regime of Registers and Licenses, the Quality Control, as well as the Sanitary Surveillance Regimen (including the definition of Good Production Practices), for cosmetic medicines, pharmaceutical preparations based on natural resources and others.

Decree 2200 of 2005	The Magisterial Preparation and Production Conditions regulation defines standards pharmaceutical services, including GEP Standards for magistral preparations and conditions for production and storage.
Legislative Act 02 of 2009	This constitutional amendment prohibits the possession and consumption of narcotic or psychotropic substances, unless supported by a medical prescription. This amendment is intended to have a rehabilitative purpose to prevent addiction, with additional measures and treatments of a pedagogical, prophylactic or therapeutic nature to be implemented as support mechanisms for people over-consuming such substances.
Decree 2467 of 2015	Decree 2467 of 2015 regulates the medical and scientific uses of cannabis by setting standards for the production, manufacturing, import/export, distribution, trade, use and possession of narcotics, as well as the cultivation of plants from which these are produced.
Law 1787 of 2016	Approved on July 6, 2016, Law 1787 creates a regulatory framework that allows for the safe and informed use of cannabis and its derivatives for medical and scientific purposes. It includes provisions outlining the regulation of production, manufacturing, acquisition, import/export, storage, transportation, marketing, distribution, use and possession of the seeds of the cannabis plant, its derivatives and related products for medicinal and scientific purposes.
Decree 613 of 2017	Decree 613 of 2017 supports Law 1787 of 2016 by elaborating on the concepts of informed access and safe production of cannabis for medical and scientific use and establishes a licensing regime to conduct related activities.

With Law 1787 of 2016 and Decree 613 of 2017, Colombia's regulatory framework has developed five legal and administrative orders that control the operation of the cannabis sector:

1. Resolutions 577, 578 and 579 of August 8, 2017, enacted by the Ministry of Justice, regulate the cultivation of non-psychoactive and psychoactive cannabis.
2. Resolutions 2891 and 2892 of 2017, enacted by the Ministry of Health, regulate the production and/or manufacturing of cannabis derivatives (extracts). The Resolutions define whether the derivatives are to be used in the national market as raw material for final medical products or if they are to be exported to international markets.
3. If the derivative is going to be used in the national market, it can be used as a synthetic or prescription drug, or a final product regulated by Decree 677 of 1995, developed in Resolutions 3183 of 1995, 1087 of 2001, and 1124, 1160 of 2016.
4. The final product sold to the public may be an herbal or branded mass market phytotherapeutic product, a category regulated by Decree 2266 of 2004. Per Decree 613, derivatives extracted from cannabis cannot be commercialized as final products without sanitary approval from INVIMA. A sanitary permit is required to commercialize derivatives as herbal or synthetic products. INVIMA is the regulatory body responsible for defining the final products that have access to the market. The regulatory framework (Decree 613 of 2017 and Decree 2200 of 2005) allows the introduction of magistral preparations with cannabis. Magistral preparations are customized prescription products that do not require a sanitary permit, as they are not mass market phytotherapeutic products with standardized characteristics but must be prepared by a license holder in a laboratory that meets GEP Standards.
5. If a product or extract will be exported, the license holder must obtain a permit from the FNE allowing for the delivery of cannabis. The permit process is regulated in Resolution 1478 of 2006, an administrative order that also regulates the quotas that State requests from the International Narcotic Control Board.

Licenses and Authorizations

Decree 613 of 2017 is the most significant aspect of the cannabis regulatory framework concerning medical and scientific uses of cannabis, as it establishes a licensing regime for the evaluation, monitoring and control of import, export, cultivation, production, manufacturing, acquisition, storage, transport, marketing, distribution, the use of seeds for planting cannabis, cannabis plants and their derivatives, as well as products containing it.

Decree 613 granted oversight for the licensing program for the production of cannabis derivatives to the Ministry of Health, through the Division of Medications and Health Technologies. The Ministry of Justice, through the Division of Control and

Supervision of Chemical and Narcotic Drugs, has jurisdiction over licenses for the use of seeds for planting and cultivating cannabis plants, as well as administrative and operational control of activities related to the management of seeds for planting, cannabis cultivation and cannabis. The FNE was tasked with administrative and operational control of activities related to the management of cannabis and its derivatives. Once a license is issued, INVIMA and the ICA are responsible for the control of finished products of psychoactive cannabis.

Decree 613 authorizes the granting of 4 types of licenses permitting the following activities:

- Production of derivatives from cannabis: This license authorizes activities related to the transformation of the psychoactive constituent elements of cannabis in oils, resins, and other forms for medical and scientific purposes. The license may include an authorization by the Ministry of Health to carry out any of the following activities: manufacture, acquisition, import, export, storage, transport, trade, and distribution of psychoactive or non-psychoactive cannabis by-products.
- Use of seeds for sowing: This license authorizes the management of seeds for planting which comprises their acquisition, import, storage, trade, distribution, possession, and final disposal, as well as their export and use for medical and scientific purposes.
- Cultivation of psychoactive cannabis plants: This license authorizes the cultivation of High THC Medicinal Cannabis plants, which comprises planting, acquisition, and production of seeds, storage, trade, distribution, and final disposal, as well as export and use for medical and scientific purposes.
- Cultivation of non-psychoactive cannabis plants: This license authorizes the cultivation of Low THC Medicinal Cannabis plants, and comprises the planting, acquisition, and production of seeds, storage, trade, distribution, and final disposal of plants, as well as export and use for medical and scientific purposes.

Self-cultivation activities, which refer to non-commercial cultivation of up to 20 cannabis plants for personal consumption, do not require a plant cultivation license, nor will be subject to the licensing and quota system referred to in the Decree 613.

Licenses are not transferable, exchangeable or assignable and are valid for 5 years and may be renewed for an equal period as many times as requested by the licensee. Licenses may not be granted to individuals or legal persons who intend to carry on licensed activities on lands that are in national parks or in protected areas established by the Colombian national park administrator, National System of Protected Areas.

License holders of manufacturing cannabis derivatives must, at minimum, determine, by means of validated analytical methodologies, the content of THC, CBD and CBN in any cannabis crop they receive and in each lot of derivative that is produced.

Licensees are responsible for the electronic registration of basic information and movements of seeds for planting, plants, derivatives and cannabis products and must comply with established safety protocols.

Obligations and Restrictions Imposed on License Holders

Licensees are required to meet a number of conditions in the course of carrying on business in Columbia, including:

- Compliance with the conditions established in the law, the decree, and the technical regulations issued by governmental authorities.
- Present the license to third parties with whom it is intending to carry out transactions involving seeds for sowing, cannabis plants and cannabis, or their registration with the FNE in the case of transactions with cannabis derivatives.
- Inform governmental authorities of unusual or suspicious operations that licensees become aware of during the performance of activities authorized by the corresponding license.
- Attend inspections carried out in the exercise of administrative and operational control.
- Maintain up to date records as required by the decree and its technical regulations including the monitoring and follow-up of the activities developed by the license holders.
- Provide all information and documentation requested by governmental authorities within any prescribed time period.
- Rectify any administrative or operational failures identified by governmental authorities during the inspections, within the deadlines established in the communications issued.
- Begin the process of modification of the license upon the occurrence of fundamental changes to the licensee.

- Authorized importers and exporters must submit to the Ministry of Justice and to the FNE, as applicable, within 8 days of the completion of the customs clearance process, import and export declarations that indicate the dates and quantities of entry or exit from Colombia of seeds for planting, cannabis plants, cannabis, cannabis derivatives, and products containing them.
- Comply with the administrative requirements and requirements derived from onsite citations issued by the authorities.

The Ministry of Justice, the Ministry of Health and the Ministry of Agriculture issued Resolution 579 of 2017, stating that small and medium licensed growers are those who grow or cultivate cannabis in an area of 0.5 hectares or less. In an effort to ensure the sustainability of small-scale growers, holders of cannabis derivative production licenses, except in the research modality, are required to, within 5 years following the commencement of their operations, process at least 10% of their assigned annual cannabis quota from a small or medium licensed grower. If market conditions prevent the satisfaction of this requirement, licensees must file a declaration supporting their inability to source cannabis from small or medium growers.

In the course of carrying on business, licensees are restricted from engaging in a number of activities, including:

- Promotion or publicity, through the media or social networks, or by means of flyers or by any other means, of seeds for planting, cannabis plants, cannabis, cannabis derivatives and products containing it. Medicines may only be advertised or promoted in scientific or technical publications, addressed to the medical and/or veterinary community. Specify in the information or propaganda addressed to the medical and/or veterinary community, the actions, indications, therapeutic uses, contraindications, side effects, risks of administration, risks of drug addiction and other precautions and warnings, without omitting any found in scientific literature or known by the manufacturers.
- Marketing or transformation for sale, distributing, reception or delivery to third parties, under any title, the cannabis plants from self-cultivation, as well as the derivatives and seeds for sowing obtained from them, except as momentarily provided as seed source.
- Allowing individuals under 18 years of age to access seeds for planting, cannabis plants, cannabis, cannabis derivatives and products containing them. Minors may access products containing cannabis if there is a medical prescription and the informed consent of the parents or guardians.
- Exporting cannabis plants, dried cannabis flower or unprocessed cannabis, except with authorization for scientific purposes.

Termination of Licenses

Decree 613 of 2017 provides that the Ministry of Health or the Ministry of Justice, as applicable, may terminate a license upon occurrence of any of the following resolutory conditions:

- Failure to correct the administrative and operational failures identified by the control authorities, within the deadlines provided;
- Failure to comply with the security protocol. The security protocols are explained in the section titled “Required Security Measures for Cannabis Activities under Colombia Law”;
- Exceeding the maximum authorized quota for each term;
- Advertising seeds for sowing, cannabis plants, cannabis, cannabis derivatives or any product containing cannabis through media, social networks, flyers or any means, if such advertisements do not relate to academic or scientific purposes. Any advertisement must be addressed to medical and/or veterinary groups and must include the actions, indications, therapeutic uses, contraindications, collateral effects, risks of administration, the risks of drug dependence and any other precautions and warnings;
- Failure to initiate the activities authorized in the license after a 6 month period, starting from the date the corresponding quotas are granted; or as of the granting of the licenses for sowing seeds and cultivation of non-psychoactive cannabis plants;
- Failure to request the amendment of the license within 30 calendar days following any changes in (i) in legal representation; (ii) regarding the ownership or possession of the real estate properties in which the licensed activities are authorized to take place; and (iii) in the contractor(s) that provide services to the licensee related to activities authorized in the license;
- Prevent the access of control authorities to conduct administrative and operational control;
- Perform transactions involving seeds for sowing, cannabis plants, cannabis or cannabis derivatives with unlicensed third parties or parties not registered in the FNE when the transaction relates to cannabis derivatives;

- Use seeds for sowing, cannabis plants, cannabis, or cannabis derivatives for nonscientific or medical purposes or beyond the scope authorized by the corresponding license;
- The licensee is convicted, or its legal representative in case of a Company, for crime related to drug trafficking and related crimes, after the license was issued;
- Any indication of or actual forgery or fraudulent alteration of the documents supporting the license application; and
- Failure to pay the monitoring fees to the applicable government entity.

Also, in accordance with Colombian regulations, license holders must refrain from, among other things: (i) allowing individuals under 18 years of age to access seeds, plants and/or products containing cannabis; (ii) exporting the plants, dry cannabis flowers or non-transformed cannabis, except as authorized for scientific purposes; and (iii) commercialize or transform for sale, distribute, receive or deliver to third parties, cannabis plants, derivatives and seed for sowing resulting from self-cultivation, except as provided temporarily for seed sources.

Required Security Measures for Cannabis Activities under Colombia Law

The Ministry of Justice and the Ministry of Health regulate the security protocol requirements established in licenses for sowing seeds, the cultivation of psychoactive cannabis plants, and the manufacturing of cannabis derivatives in Resolutions 577 and 2892 of 2017, respectively.

According to Resolution 577 of 2017, license holders must prepare a security protocol and submit same to the Ministry of Justice and should include measures to ensure that areas and properties in which sowing seeds, psychoactive cannabis plants and psychoactive cannabis are handled have the appropriate levels of protection, according to the particular environment and scale of the operation. The license holders must comply with the following minimum specifications related to the Security Protocols:

- Submit a comprehensive security plan and risk analysis that addresses physical security and operations, and security measures during transportation, which includes the following phases:
    - Diagnosis: including the vulnerability and probability variables of an event and all its consequences;
    - Design: including the risk control mechanisms, as well as the protection management system indicators that demonstrate the effectiveness and efficiency of the risk control mechanisms; and
    - Monitoring or evaluation: including a protection (internal and external) audit program and safety inspections of the risk control mechanisms;
- Have a protection system with risk control mechanisms for physical and operational safety that includes physical barriers and conduct control procedures to prevent access to unauthorized persons;
- Physical barriers must be built with materials that guarantee the integrity of the installations;
- Establish a single entrance and exit point, where employees, visitors and vehicles access the area, which must have access control for the entry and exit of vehicles, individuals, operational assets and raw materials, seeds for sowing, psychoactive cannabis plants and psychoactive cannabis, and in general all kinds of goods. This exit must by established without compromising the emergency exits and other industrial safety measures that the licensee must ensure in the facilities. Areas where activities related to the management of sowing seeds, psychoactive cannabis plants and psychoactive cannabis take place, must be of restricted access and manual or systematized entry and exit control records are required;
- Establish a monitoring and surveillance service that generates evidence and traceability;
- Establish internal and external signaling indicating that unauthorized access is prohibited;
- Provide and ensure that the plant personnel and visitors carry visible identification at all times. Employees engaged in activities related to the management of sowing seeds, plants for psychoactive cannabis and non-psychoactive cannabis must be fully identified and carry the respective employee identification;
- Ensure that it has the capacity to hold communications internally and with external agents in order to notify or report security incidents and request, in a timely manner, the intervention and support of the state's security forces, if it were necessary;
- Establish risk control mechanisms to deter and control risk situations in the facilities' perimeter, including protective perimeter lighting; and
- For transportation purposes, the license holder must establish control mechanisms that allow it to prove compliance with the protection of areas and facilities, using closed-type vehicles with elements that allow for seal verification control of the transported derivatives at all times.

In addition, the Ministry of Justice shall conduct a control visit during the assessment of the license application for the cultivation of psychoactive and non-psychoactive cannabis plants in the premises of the land where the cultivation activities shall take place. The Ministry of Justice will verify the following minimum standards:

- The location of the property and verification of the facilities where the activities will take place, compared with the documentation and photographic record attached to the license application;
- Verification of the internal procedures for the implementation of the security protocol;
- Certify that the cultivation area is free of pre-existing cannabis crops; and
- That the storage areas, if applicable, are free of cannabis crops.

Failure to attend the control visit will lead to the rejection of the corresponding license application.

In addition to the security protocol guidelines set out by the Ministry of Justice, the Ministry of Health issued Schedule 1 to Resolution 2892 of 2017 which contains guidelines for the elaboration and implementation of the security protocol related specifically to the manufacturing of cannabis derivatives. The guidelines established by the Ministry of Health set out specific additional measures that are required in the following categories:

- Safety:
    - Guarantee the integrity of the facilities and establish a physical barrier to prevent access of unauthorized individuals;
    - All doors and windows must be in adequate condition so as to allow for full closure of the areas and prevent access to unauthorized individuals;
    - All openings, ducts and mechanical/electrical passageways must be protected with safety material;
    - External and internal signals/signage indicating that unauthorized access is prohibited;
    - Establish personal profiles and responsibilities of company employees and third party contractors that provide security services in the facilities and monitor the fulfilment of the security protocol;
    - Establish a single entrance and exit point, where employees and visitors access the area, notwithstanding provisions in terms of industrial safety (including emergency exits); and
    - The structures of buildings must be constructed using resistant materials to prevent forced entry and secured with locking devices. The storage areas of the harvests for production, as well as the manufactured derivatives shall be of exclusive access with control and registration.
- Monitoring and detection. The licensee must guarantee that licensed area complies with the following monitoring and detection parameters:
    - Installation of closed-circuit cameras that operate 24 hours per day and 7 days per week around the perimeter of the facilities. The video camera recordings must be saved for a minimum 30 calendar day period;
    - All managers, employees, contractors and visitors must be identified at all times. An employee inside a cultivation facility must accompany visitors at all times; and
    - Qualified security surveillance personnel that is prepared to react effectively to any detection of unauthorized access or security incidents. The security personnel must record each event, indicating the place, time, date, personnel present in the facilities, facts and measures adopted. The records of unusual events must be saved for a minimum 5 year period.
- Access control:
    - Installation of appropriate access control technology and appropriate measures to restrict access and properly identify any individual entering or leaving the perimeter of manufacturing facilities are required;
    - Pre-established and appropriate controls for the issuance of locks, keys and access codes; and
    - Access to storage and production areas should be restricted to only those individuals requiring access.
- Electricity supply:
    - Facilities for the manufacturing of cannabis derivatives require constant lighting;
    - The power system must have auxiliary sources to ensure it can be fully operational under any circumstance; and
    - A response plan in case of interruption of the electric power.
- Cooperation with authorities:

- Cooperate with public authorities in order to prevent the diversion or misuse of derivatives or products that contain it; and
- Licensees shall immediately inform applicable authorities of suspicious or unusual activities. In case of unjustified loss or theft of psychoactive cannabis or its derivatives during the manufacturing process, the licensee must inform the applicable authorities and the Ministry of Health within 48 hours after the event took place. The notice sent by the licensee must include a complaint form, records describing the event, personnel involved, date and time, location, product type and amount lost. Records of theft or loss products and the subsequent investigation reports must be saved for a minimum 5 year period.

In addition to the foregoing, the FNE will conduct audit visits during the license term to verify compliance with the operations plan, security protocol and other obligations the licensee must meet.

The implementation of security measures demands that license holders work closely with local security forces aimed to ensure the fulfilment of security protocols, as seen in other key industries in Colombia. For example, oil and gas, and mining contract holders in Colombia usually share and coordinate their safety and private security measures with police and military forces. While security protocols in the medical and scientific cannabis industries are mandatory, those security measures may be considered as common good practices in other industries. For example, security measures in other industries aim to ensure that access to unauthorized personnel is limited and operations are conducted by qualified personnel; strict monitoring over operations and related activities take place and are properly recorded; periodic information is provided and audit controls must be attended at all times, among others. In addition, connected services are subject to controls and contractors, in most cases, must be licensed or certified by different authorities with good practice standards.

USE OF AVAILABLE FUNDS

Proceeds

This is a non-offering prospectus. The Issuer is not raising any funds in conjunction with this Prospectus. Accordingly, there are no proceeds to the Issuer in connection with the filing of this Prospectus.

Funds Available

As at May 31, 2018, the Issuer had working capital of $269,245. As of July 31, 2018, the Issuer had working capital of $690,986.

The following is a breakdown of the funds that will be available to the Issuer (the "**Available Funds"**) upon the Effective Date:

Source of Funds	Available Funds ($)
Working capital of the Issuer as at July 31, 2018	517,612
Private placement funding to be received before the Effective Date, of which the Issuer has received and is holding $594,000 as of the date of this Prospectus, pending closing of the private placement	825,000
Total	**1,342,612**

The consolidated pro forma balance sheet of the Issuer, which gives effect to the Purchase and Sale as if it had been completed as of May 31, 2018, is attached as Schedule "E". The pro forma working capital position of the Issuer as at May 31, 2018, giving effect to the Purchase and Sale as if it had been completed on that date, was $261,979 after excluding the working capital deficiency of $150,258 related to MedicOasis. MedicOasis' working capital deficiency includes shareholder advances of $258 which have not been included in Available Funds.

Use of Available Funds

Management anticipates applying its available funds in the following manner over the next 12 months:

Use of Funds	Funds to be Expended ($)
Expenses related to the Quebec Facility and re-submitting the license application for the site change	305,000
General and administrative expenses(1)	281,500
Cash payments required under the FCM Agreement	585,000
Unallocated working capital	171,112
Total	**1,342,612**

(1) General and administrative expenses are summarized as follows: CSE listing fees and transfer agent fees ($25,000), general office costs ($17,500), travel ($15,000), marketing ($25,000), professional fees ($20,000) and management fees ($179,000).

Notwithstanding the foregoing, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Issuer to achieve its objectives. There can be no assurance that additional funding required by the Issuer will be available if required. However, it is anticipated that the available funds will be sufficient to satisfy the Issuer's objectives over the next 12 months.

The business of the Issuer will not be cash flow positive until MedicOasis begins generating revenue or the Issuer's investment in FCM Global yields dividends or return of capital. As a result, the Issuer may decide to raise equity financing in the next 12 months, if the Board believes it is in the best interests of the Issuer to do so.

The Issuer intends to spend the net funds available to it as stated in this Prospectus. However, there may be situations where, due to change of circumstance, outlook, research results and or business judgment, a reallocation of funds is necessary in order for the Issuer to achieve its overall business objectives.

Business Objectives and Milestones

The principal milestones using the funds available to the Issuer are as follows:

Business Objective	Milestones that must occur for Business Objective to be Accomplished	Anticipated Timing to achieve Business Objectives	Estimated Cost ($)
Advance Quebec Facility – Stage 1	• submit new site information (Dorval Property) to Health Canada and obtain Health Canada approval for site • submit drawings for City of Dorval permits and obtain city permits	Q4 2018	$55,000
Advance Quebec Facility – Stage 2	• engage engineering firm for power upgrade at Dorval Property and submit permits • advance Health Canada application to final review stage and obtain approval for site location at Dorval Property	Q4 2018	$25,000
Advance Quebec Facility – Stage 3	• receive notice of approval for electrical permits for upgrade and engage electrical contractors to build out service • engage contractors to prepare site for construction	Q2 2019	$100,000
Advance Quebec Facility – Stage 4	• achieve Health Canada status - stage 6, site inspection • move application out of review stage and into ready-to-build	Q3 2019	$125,000

Business Objective	Milestones that must occur for Business Objective to be Accomplished	Anticipated Timing to achieve Business Objectives	Estimated Cost ($)
	• tender project, secure contractors and prepare for construction		
Advance FCM Global operations (indirectly through investment) – Colombia Pilot Facility	• Continue to invest in FCM Global through the FCM Agreement to achieve completion of their build-out for pilot facility • assist FCM Global in obtaining THC cultivation license • assist FCM Global in registering seeds for propagation • assist in planting first CBD crop in new greenhouses	Q4 2018	$585,000
Advance FCM operations – Colombia Pilot Facility	• complete classification process for THC cultivation license and begin first crop	Q2 2019	N/A

DIVIDEND POLICY

Neither the Issuer nor MedicOasis has declared any dividends or made any distributions since incorporation. The Board may declare dividends at its discretion but does not anticipate paying dividends in the near future. The Board expects to retain earnings to finance future growth and, when appropriate, retire debt (if then applicable).

MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis for the Issuer for the financial period ended May 31, 2018 is included as Schedule "B".

Management's Discussion and Analysis of MedicOasis for the financial years ended December 31, 2016 and 2017 and the five month period ended May 31, 2018 is included as Schedule "D".

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Authorized and Issued Share Capital

The Issuer's authorized share capital consists of an unlimited number of Common Shares without par value of which 39,302,400 Common Shares are issued and outstanding at the date of this Prospectus. See "Consolidated Capitalization".

Common Shares

All of the Common Shares of the Issuer rank equally as to voting rights, participation in a distribution of the assets of the Issuer on the liquidation, dissolution or winding-up of the Issuer and the entitlement to dividends. The holders of the Common Shares are entitled to receive notice of all meetings of shareholders and to attend and vote such shares at the meetings. Each Common Share carries with it the right to one vote. The Common Shares do not have pre-emptive rights and are not subject to redemption. Holders of the Common Shares are entitled to receive such dividends as may be declared by the Board of Directors out of funds legally available therefore. In the event of dissolution or winding up of the affairs of the Issuer, holders of the Common Shares are entitled to share rateably in all assets of the Issuer remaining after payment of all amounts due to creditors.

Listing of the Common Shares is subject to the Issuer fulfilling all of the listing requirements of the CSE.

Warrants

As of the date of this Prospectus, the Issuer has not granted any share purchase warrants.

CONSOLIDATED CAPITALIZATION

The following table sets forth the share and loan capital of the Issuer as at the dates below. The table should be read in conjunction with and is qualified in its entirety by the Issuer's audited financial statements for the year ended May 31, 2018.

Description	Amount Authorized or to be Authorized	Authorized at the date of this Prospectus	Outstanding as at May 31, 2018 (Audited)	Outstanding as at the date of this Prospectus (Unaudited)
Common Shares	Unlimited	Unlimited	25,784,000	39,302,400

The following table sets forth the share and loan capital of MedicOasis as at the dates below. The table should be read in conjunction with and is qualified in its entirety by MedicOasis' audited financial statements for the year ended December 31, 2017 and five month period ended May 31, 2018.

Description	Amount Authorized or to be Authorized	Authorized at the date of this Prospectus	Outstanding as at May 31, 2018 (Audited)	Outstanding as at the date of this Prospectus (Unaudited)
Common Shares	Unlimited	Unlimited	1,000	1,000

OPTIONS TO PURCHASE SECURITIES

As at the date of this Prospectus, the Issuer has granted 2,300,000 options to directors, executive officers, employees, and consultants of the Issuer as follows:

Category	Number of options granted and exercise price per common share	Expiration Date
Executive Officers	1,750,000	August 15, 2023
Directors who are not Executive Officers	500,000	August 15, 2023
Current and past employees	N/A	N/A
Current and past consultants	50,000	August 15, 2023

Stock Option Plan

The Issuer has adopted a "rolling" 20% stock option plan (the "**Stock Option Plan**") which was approved by the Board of Directors of the Issuer. The purpose of the Stock Option Plan is to advance the interests of the Issuer by encouraging the directors, officers, employees, management company employees and consultants of the Issuer, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Issuer, thereby increasing their proprietary interest in the Issuer, encouraging them to remain associated with the Issuer and furnishing them with additional incentive in their efforts on behalf of the Issuer in the conduct of its affairs. The Stock Option Plan provides that, subject to the requirements of the CSE, the aggregate number of securities reserved for issuance will be 20% of the number of the Issuer's common shares issued and outstanding from time to time. The Stock Option Plan will be administered by the Issuer's board of directors, which will have full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such service providers of the Issuer and its affiliates, if any, as the board of directors may from time to time designate. The exercise price of option grants will be determined by the board of

directors, but after listing on the CSE will not be less than the closing market price of the Common Shares on the CSE. The Stock Option Plan provides that the number of Common Shares that may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued Common Shares. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) within a "reasonable period" from date of termination other than for cause, not to exceed one year; or (iii) one year from the date of death or disability. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

The Issuer will submit its Stock Option Plan to its shareholders for approval at its first annual general meeting of shareholders.

PRIOR SALES

The following table summarizes the sales of securities of the Issuer since incorporation:

Date	Price per Common Share ($)	Number of Common Shares	Reason for Issuance
January 11, 2018	$0.01	1,000,000	Private Placement
January 11, 2018	$0.025	4,126,000	Private Placement
January 11, 2018	$0.05	158,000	Private Placement
February 27, 2018	$0.05 (deemed)	500,000	Consulting/Finder Shares
March 15, 2018	$0.025	20,000,000	Private Placement
June 6, 2018	$0.025	4,000,000	Private Placement
June 8, 2018	$1.00 (deemed)	800,000	Shares issued under Purchase and Sale Agreement
June 22, 2018	$0.85 (deemed)	763,000	Shares issued under FCM Agreement
June 27, 2018	$0.25	7,192,400	Private Placement
July 31, 2018	$0.85 (deemed)	763,000	Shares issued under FCM Agreement
	TOTAL:	**39,302,400**	

The following table provides information on securities of MedicOasis, issued since incorporation:

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price Per Security	Total Funds Received
December 6, 2013	Common Shares	1,000	$0.10	$100
	TOTAL:	1,000	$0.10	$100

Trading Price and Volume

Neither the Common Shares of the Issuer nor the MedicOasis Shares are currently listed for trading on any stock exchange.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Escrow under NP 46-201

In accordance with National Policy 46-201 *Escrow for Initial Public Offerings* ("**NP 46-201**"), all common shares of the Issuer held by a principal of the Issuer as of the date of this Prospectus are subject to escrow restrictions. A principal who holds securities carrying less than 1% of the voting rights attached to the Issuer's outstanding securities is not subject to the escrow requirements under NP 46-201. Under the NP 46-201, a "principal" is defined as:

(a) a person or company who acted as a promoter of the issuer within two years before the Prospectus;

(b) a director or senior officer of the Issuer or any of its material operating subsidiaries at the time of the Prospectus;

(c) a 20% holder – a person or company that holds securities carrying more than 20% of the voting rights attached to the Issuer's outstanding securities immediately before and immediately after the Issuer's IPO; or

(d) a 10% holder – a person or company that (i) holds securities carrying more than 10% of the voting rights attached to the Issuer's outstanding securities immediately before and immediately after the Issuer's IPO and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Issuer or any of its material operating subsidiaries.

A principal's spouse and their relatives that live at the same address as the principal will also be treated as principals and any securities of the Issuer they hold will be subject to escrow requirements.

Pursuant to the Escrow Agreement, among the Issuer, the Escrow Agent, the principals of the Issuer, escrowed shares will be released in accordance with the following release schedule, as on listing, the Issuer anticipates being an "Emerging Company":

On the Listing Date	1/10 of the escrow securities
6 months after the Listing Date	1/6 of the remaining escrow securities
12 months after the Listing Date	1/5 of the remaining escrow securities
18 months after the Listing Date	1/4 of the remaining escrow securities
24 months after the Listing Date	1/3 of the remaining escrow securities
30 months after the Listing Date	1/2 of the remaining escrow securities
36 months after the Listing Date	the remaining escrow securities

Assuming there are no changes to the escrow securities initially deposited and no additional escrow securities are deposited, this will result in a 10% release on the listing date (as defined by NP 46-201), with the remaining escrow securities being released in 15% tranches every 6 months thereafter.

All escrowed shares are subject to the direction and determination of the CSE. Specifically, escrowed shares may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the consent of the CSE.

The following sets forth particulars of the escrowed shares that will be subject to Emerging Issuer escrow under the Escrow Agreement on completion of the Purchase and Sale.

Name and Municipality of Residence	**Number of Shares held in Escrow**	**Percentage of Outstanding Shares held in Escrow[(1)]**
Jonathan Fiteni[(2)] Surrey, BC	2,736,000	6.96%
Marcelin O'Neill[(3)] Vancouver, BC	2,000,000	5.09%
Robin Linden[(4)] Sechelt, BC	1,000,000	2.54%
Christopher Cherry Vancouver, BC	360,000	0.92%
TOTAL	**6,096,000**	**15.51%**

(1) On the basis of 39,302,400 issued and outstanding Common Shares of the Issuer.

(2) 2,000,000 shares are held through JPF Capital Inc.

(3) 480,000 shares are held through Accrete Consulting Inc

(4) 1,000,000 shares are held by Lisa Swain, Robin Linden's spouse.

The automatic time release provisions under NP 46-201 pertaining to "established issuers" provide that 25% of each principal's escrowed securities are released on the Listing Date, with an additional 25% being released in equal tranches at six month intervals over 18 months. If, within 18 months of the Listing Date, the Issuer meets the "established issuer" criteria, as set out in NP 46-201, the escrow securities will be eligible for accelerated release according to the criteria for established issuers. In such a scenario that number of escrow securities that would have been eligible for release from escrow if the Issuer had been an "established issuer" on the Listing Date will be immediately released from escrow. The remaining escrow securities would be released in accordance with the time release provisions for established issuers, with all escrow securities being released 18 months from the Listing Date.

Under the terms of the Escrow Agreement, Escrowed Securities cannot be transferred by the holder unless permitted under the Escrow Agreement. Notwithstanding this restriction on transfer, a holder of Escrowed Securities may (a) pledge, mortgage or charge the Escrowed Securities to a financial institution as collateral for a loan provided that no Escrow Securities will be delivered by the escrow agent to the financial institution; (b) exercise any voting rights attached to the Escrow Securities; (c) receive dividends or other distributions on the Escrow Securities; and (d) exercise any rights to exchange or convert the Escrow Securities in accordance with the Escrow Agreement.

The securities of the Issuer held in escrow may be transferred within escrow to: (a) subject to approval of the Issuer's board of directors, an individual who is an existing or newly appointed director or senior officer of the Issuer or of a material operating subsidiary of the Issuer; (b) subject to the approval of the Issuer's board of directors, a person that before the proposed transfer holds more than 20% of the voting rights attached to the Issuer's outstanding securities; (c) subject to the approval of the Issuer's board of directors, a person that after the proposed transfer will hold more than 10% of the voting rights attached to the Issuer's outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Issuer or any of its material operating subsidiaries; (d) upon the bankruptcy of a holder of escrowed securities, the securities held in escrow may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such securities; (e) upon the death of a holder of escrowed securities, all securities of the deceased holder will be released from escrow to the deceased holder's legal representative; (f) a financial institution that the holder pledged, mortgaged or charges to a financial institution as collateral for a loan on realization of such loan; and (g) a RRSP, RRIF or similar registered plan or fund with a trustee, where the annuitant of the RRSP or RRIF, or the beneficiaries of another plan or fund are limited to the holders spouse, children or parents, or if the holder is the trustee of such registered plan or fund, to the annuitant of the RRSP or RRIF, or a beneficiary of the other registered plan or fund or his or her spouse, children or parents.

In addition, tenders of Escrowed Securities pursuant to a share exchange, which includes a take-over bid, issuer bid, statutory arrangement, amalgamation, merger or other reorganization similar to an amalgamation or merger, are permitted. Escrowed Securities subject to a share exchange will continue to be escrowed if the successor entity is not an "exempt issuer", the holder is a principal of the successor entity; and the holder holds more than 1% of the voting rights of the successor entities' outstanding securities.

Voluntary Pooling Restrictions

The Issuer has entered into voluntary pooling restrictions with various shareholders to restrict trading of their Common Shares. FCM Global has agreed to restrict trading of Common Shares held by it for a period of 36 months from the date that it was first issued Common Shares under the FCM Agreement, being June 22, 2018, with 10% released immediately (subject to restrictions under securities laws) and 15% thereafter every six months until June 22, 2021 when all such Common Shares will be released. As additional Common Shares are issued to FCM Global under the FCM Agreement, they become subject to the voluntary pooling, with all time frames calculated from June 22, 2018.

The Issuer has also entered into voluntary pooling arrangements with various shareholders holding an aggregate of 20,500,000 Common Shares, which restricts trading of such Common Shares for a period of 21 months from the Listing Date. The Common Shares held under this arrangement are released as to 15%, at three months from the Listing Date, and further 15% increments at six, nine, twelve, fifteen and eighteen months from the Listing Date, with the remaining 10% releasable at 21 months from the Listing Date.

PRINCIPAL SHAREHOLDERS

To the knowledge of the Issuer's directors and executive officers, the only persons who beneficially own or exercise, directly or indirectly, control or direction over, Common Shares carrying more than 10% of the votes attached to the Common Shares, are as follows:

Name	Type of Ownership	Number of Common Shares presently owned	Percentage of common shares outstanding(1)
Michelle Hackett	Direct	6,566,666	16.71%

(1) On the basis of 39,302,400 issued and outstanding Common Shares of the Issuer.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Securityholding

The following table sets out information regarding each of directors, executive officers and promoters of the Issuer including the names, municipality of residence, the position and office held and the period of time served in this position, their principal occupation for the preceding five years, and the number and percentage of voting securities beneficially owned, directly or indirectly, or over which control or direction is exercised, assuming completion of the Purchase and Sale:

Name, Position with Issuer and Province and Country of Residence	Date of Appointment to Office	Principal Occupation for Past Five Years	Common Shares Owned	Percentage of Common Shares Outstanding(2)
Jonathan Fiteni(1) *British Columbia, Canada* CEO and Director	Director and CEO: March 1, 2018	Businessman; CEO (October 2014 to April 2017) and Director of Operations of MYM Nutraceuticals Inc.	2,736,000	6.96%
Christopher Cherry *British Columbia,, Canada* CFO	April 1, 2018	Consultant with Cherry Consulting Ltd., providing CFO services and accounting services for public companies	360,000	0.92%
Marcelin O'Neill(1) *British Columbia, Canada* CCO and Director	Director and CCO: November 7, 2017	Management Consultant, Accrete Consulting Inc.; CCO of Alternate Health Corp. since 2017	2,000,000	5.09%
Robin Linden(1) *British Columbia, Canada* Director	January 11, 2018	Director of Special Events and Partnerships of Fairmont Hotels and Resorts and Director of MYM Nutraceuticals Inc.	1,000,000	2.54%
		TOTAL	**6,096,000**	**15.51%**

(1) Audit Committee Member.

(2) The directors and officers of the Issuer, as a group, will beneficially own, directly or indirectly, 6,096,000 of the issued and outstanding Common Shares of the Issuer. These shares are subject to escrow pursuant to the Escrow Agreement. See *"Escrowed Securities and Securities Subject To Contractual Restriction on Transfer*".

The term of office of the directors expires annually at the time of the Issuer's annual general meeting. The term of the office of the officers expires at the discretion of the Issuer's directors.

Aggregate Ownership of Securities

The directors and officers of the Issuer, as a group, beneficially own, directly or indirectly, 6,096,000 Common Shares representing approximately 15.51% of the issued and outstanding Common Shares of the Issuer.

Cease trade orders, bankruptcies, penalties or sanctions

Cease Trade Orders

To the best of the Issuer's knowledge, other than as set forth below, no existing or proposed director, officer, promoter or other member of management of the Issuer is, or within the ten years prior to the date hereof has been, a director, CEO or CFO of any other corporation that, while that person was acting in the capacity of a director, CEO or CFO of that corporation, was the subject of a cease trade order or similar order or an order that denied the corporation access to any statutory exemptions for a period of more than 30 consecutive days, was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold its assets.

Christopher Cherry, the CFO of the Issuer, was a former CFO of Wolfeye Resource Corp. (now Lexagene Holdings Inc.) ("Lexagene"). On August 7, 2013, the BCSC and the Alberta Securities Commission (the "Commissions") issued a cease trade order ("CTO") against Lexagene, its directors, officers and insiders for failure of Lexagene to file its audited financial statements and management's discussion & analysis and related certifications for the year ended March 31, 2013 (collectively, the "Financial Materials"). On August 8, 2013, trading in Lexagene's common shares was suspended by the TSX Venture Exchange ("TSXV") for failure to file the Financial Materials. Lexagene filed the Financial Materials with the Commissions and the CTO was lifted by the Commissions on September 26, 2013. Lexagene applied to the TSXV to lift the trading suspension and, after satisfying all of the conditions of the TSXV, the suspension was lifted and trading in Lexagene's common shares recommenced on October 30, 2013.

Mr. Cherry is currently the CFO of Mexivada Mining Corp. ("Mexivada"). On October 29, 2010, at the request of management of Mexivada, the BCSC issued a CTO against the insiders of Mexivada for not filing comparative financial statements for its financial year ended June 30, 2010 and the related management's discussion and analysis for the same period. The CTO was rescinded on November 30, 2010 and is no longer in effect. On October 31, 2011, at the request of management, the BCSC issued a CTO against the insiders of Mexivada for not filing comparative financial statements for its financial year ended June 30, 2011 and the related management's discussion and analysis for the same period. The CTO was rescinded on November 24, 2011 and is no longer in effect. On October 31, 2012, at the request of management, the BCSC issued a CTO against the insiders of Mexivada for not filing comparative financial statements for its financial year ended June 30, 2012 and the related management's discussion and analysis for the same period. The cease trade order is still in effect.

Mr. Cherry was a former director and officer of 1040426 BC Ltd., 1040433 BC Ltd., 1040440 BC Ltd., 1040442 BC Ltd. and Genix Pharmaceutical Corp., companies that are reporting issuers in the provinces of British Columbia and Alberta. On December 2, 2016, the BCSC issued a CTO against these companies, their directors, officers and insiders for failure to file audited financial statements and management's discussion & analysis and related certifications for the year ended July 31, 2016. The BCSC also issued deficiency notices to each of 1040440 BC Ltd. and Genix Pharmaceutical Corp. for failure to file first quarter financial statements and management's discussion & analysis for the period ended October 31, 2016. On May 23, 2017, the BCSC issued revocation orders for each of 1040426 BC Ltd., 1040433 BC Ltd. and 1040442 BC Ltd. (now Zenith Exploration Inc.) and the CTOs were lifted. On September 20, 2017, the BCSC issued a revocation order for 1040440 BC Ltd. and the CTO was lifted. On April 13, 2018, the BCSC issued a revocation order for Genix Pharmaceutical Corp. and the CTO was lifted.

Corporate Bankruptcies

Christopher Cherry was a former director and officer of WellStar Energy Corp. ("WellStar"). On March 24, 2017, the Court of Queen's Bench of Alberta granted an application of the WellStar lenders, to appoint Grant Thornton Limited (the "Receiver") as receiver and manager over the assets, undertakings and property of WellStar and its wholly owned subsidiary Nexxtep Resources Ltd. The Receiver is charged with managing the day to day affairs of the Company and Nexxtep during the period of its appointment. Mr. Cherry resigned as CFO effective March 24, 2017 and as a director in May 2017.

Penalties or Sanctions

None of the directors, executive officers or shareholders holding a sufficient number of Common Shares to affect materially the control of the Issuer, has within the last 10 years has been subject to any penalties or sanctions imposed by a court

relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

Other than as set forth below, none of the directors, executive officers or shareholders holding a sufficient number of Common Shares to affect materially the control of the Issuer, or promoter of the Issuer, has, within the last 10 years, 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.

On March 12, 2012, bankruptcy proceedings were commenced against Robin Linden under BIA 31-1601257. Effective as of December 13, 2012, Robin Linden's bankruptcy was automatically discharged. A bankruptcy may be automatically discharged when certain conditions are met.

Conflicts of Interest

The directors of the Issuer are 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 of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA.

To the best of the Issuer's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest between the Issuer and its directors and officers except that certain of the directors and officers may serve as directors and/or officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Issuer and their duties as a director or officer of such other companies.

Management of Junior Issuers

A description of the principal occupation for the past five years and summary of the experience of the directors and officers of the Issuer is as follows:

Jonathan Fiteni – *(Age:* 42*) CEO and Director*

Mr. Fiteni has spent over 15 years in the cannabis space and has helped private and public companies raise money and developed various proprietary formulations in the cannabis sector. He was most recently the CEO (October 2014 to April 2017) and Director of Operations of MYM Nutraceuticals Inc. ("MYM"), a public company listed on the CSE which focuses on building large, licensed production facilities to serve the recreational and pharmaceutical grade cannabis space. During his time as CEO of MYM, Mr. Fiteni helped the company in raising funds, oversaw due diligence activities on pending deals, structured deals and assisted in negotiations regarding asset purchases, participated in board meetings and assisted in the corporate re-structuring of MYM.

Mr. Fiteni studied Business Administration and Management at the British Columbia Institute of Technology and received a business diploma in 2001.

Mr. Fiteni will devote 75% of his time to the Issuer and is an independent contractor of the Issuer. Mr. Fiteni has not entered into a non-competition or non-disclosure agreement with the Issuer.

Christopher Cherry- *(Age:* 39*) CFO*

Mr. Cherry has over 15 years of corporate accounting and audit experience, having been a Chartered Accountant (CA) since February 2009 and a Certified General Accountant (CGA) since 2004. He was a staff and senior accountant at KPMG and an auditor at Davidson and Co. LLP in Vancouver and has held positions such as director, CFO and Secretary of several public mining companies. At present, Mr. Cherry is a consultant for various companies through Cherry Consulting Ltd.

Mr. Cherry obtained his Bachelor of Technology (BTech) in accounting from the British Columbia Institute of Technology in 2000.

Mr. Cherry will devote 50% of his time to the Issuer and is an independent contractor of the Issuer. Mr. Cherry has not entered into a non-competition or non-disclosure agreement with the Issuer.

Marcelin O'Neill *(Age:* 53*) - CCO and Director*

Ms. O'Neill is currently the Chief Compliance Officer of Alternate Health Corp. Over the last five years she has served in various director and officer roles of public companies.

From October 2014 to February 2017, Ms. O'Neill served as director of Alternate Health Corp. In addition, Ms. O'Neill was also a director of Cervantes Capital Corp. from October 2014 to October 2015 and a director and the CEO from January 2017 to February 2018. From December 2011 to May 2014, she served as a director of Jagercor Energy Corp. and was the CFO and Corporate Secretary of Jagercor, from July 2013 to May 2014. She served as a director of Brandenburg Energy Corp. from February 2008 to February 2013. Ms. O'Neill served as the Vice President of Corporate Affairs of Mandalay Resources Corporation from April 2009 to March 2010, and from April 2007 until May 2008, she served as a director of Mandalay. Since 1994 Ms. O'Neill has worked with such companies as Augusta Resource Corporation, Westcoast Energy Inc., and the Lundin Group.

In 1987, Ms. O'Neill graduated from the British Columbia Institute of Technology, where she studied Business Management, and has successfully completed the Canadian Securities Course and the Conduct and Practices Handbook Course, both with honours. Ms. O'Neill is the managing director of Accrete Consulting Inc., a company which provides corporate governance and management services to public companies. With over 21 years of experience in public company management, Ms. O'Neill brings a varied scope of knowledge to the companies with which she works.

Ms. O'Neill will devote 50% of her time to the Issuer and is an independent contractor of the Issuer. Ms. O'Neill has not entered into a non-competition or non-disclosure agreement with the Issuer.

Robin Linden *(Age:* 45*) – Director*

Mr. Linden has over 20 years of leadership and management experience. At present, he is the Director of Special Events and Partnerships of the Fairmont Hotels and Resorts based out of Vancouver, BC and is a Director of MYM. In addition, Mr. Linden has served in leadership and management roles with the University of Manitoba, Molson Breweries Canada and Holt Renfrew, a Canadian luxury retailer.

Mr. Linden obtained a Bachelor of Arts (Hons) from the University of Manitoba and post graduate diplomas from Simon Fraser University in Vancouver and St. Andrews in Scotland.

Mr. Linden will devote 20% of his time to the Issuer and is an independent contractor of the Issuer. Mr. Linden has not entered into a non-competition or non-disclosure agreement with the Issuer.

EXECUTIVE COMPENSATION

The Issuer has not been a reporting issuer at any time during the period from incorporation until May 31, 2018. As an "IPO Venture Issuer" in accordance with Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, the following is a discussion of all significant elements of compensation to be awarded to, earned by, paid to or payable to NEOs of the Company, once the Company becomes a reporting issuer, to the extent this compensation has been determined.

In this section "Named Executive Officer" means each individual who acted as chief executive officer of the Issuer, or acted in a similar capacity, for any part of the most recently completed financial year (a "**CEO**"), each individual who acted as chief financial officer of the Issuer, or acted in a similar capacity, for any part of the most recently completed financial year (a "**CFO**") and each of the three most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than CDN$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Issuer, at the end of the most recently completed financial year.

Director and named executive officer compensation, excluding compensation securities

This section sets forth the compensation paid by the Issuer from incorporation to May 31, 2018 and proposed to be paid by the Issuer in the coming year. The information for 2019 is anticipated information based on current management consulting agreements, but is subject to change**.**

Table of Compensation excluding compensation securities							
Name and Position	**Year Ended May 31**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other Compensation ($)**	**Total Compensation ($)**
Jonathan Fiteni, CEO and Director[(1)]	2018	30,000	Nil	Nil	Nil	$2,585	$32,585
	2019	144,000	Nil	Nil	Nil	Nil	144,000
Marcelin O'Neill, CCO and Director Former CEO and Former CFO[(2)(3)]	2018	70,000	Nil	Nil	Nil	Nil	70,000
	2019	120,000	Nil	Nil	Nil	Nil	120,000
Christopher Cherry, CFO[(4)(5)]	2018	15,000	Nil	Nil	Nil	Nil	15,000
	2019	90,000	Nil	Nil	Nil	Nil	90,000
Robin Linden, Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Jonathan Fiteni has served as CEO of the Issuer since March 1, 2018, so the information for the period ended May 31, 2018 is for a 3 month period.

(2) Marcelin O'Neill served as CEO of the Issuer from incorporation (November 7, 2017) to March 1, 2018 and served as CFO of the Issuer from incorporation (November 7, 2017) to April 1, 2018. She is currently the CCO of the Issuer.

(3) Compensation provided pursuant to management consulting agreement entered into by Accrete Consulting Inc., a company controlled by Marcelin O'Neill.

(4) Christopher Cherry has served as CFO of the Issuer since April 1, 2018, so the information for the period ended May 31, 2018 is for a 2 month period.

(5) Compensation provided pursuant to management consulting agreement entered into by Cherry Consulting Ltd., a company controlled by Christopher Cherry.

Stock options and other compensation securities

The Issuer adopted a stock option plan to assist the Issuer in attracting, retaining and motivating directors, officers, employees consultants and contractors of the Issuer and to closely align the interests of such service providers with the interests of the Issuer. As at May 31, 2018, there were no outstanding option-based awards outstanding and none had been granted. For information about the Issuer's stock option plan, refer to the heading "Options to Purchase Securities" above. Since May 31, 2018, the Issuer granted any options, as set out below.

Compensation Securities							
Name and position	**Type of compensation security**	**Number of compensation securities, number of underlying securities, and percentage of class**	**Date of issue or grant**	**Issue, conversion or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry date**
Jonathan Fiteni, CEO and Director	Stock Options	1,000,000[1] 43.5%	August 15, 2018	$0.25	N/A	N/A	August 15, 2023
Marcelin O'Neill, CCO and Director Former CEO and Former CFO	Stock Options	500,000[1] 21.7%	August 15, 2018	$0.25	N/A	N/A	August 15, 2023
Christopher Cherry, CFO	Stock Options	250,000[2] 10.9%	August 15, 2018	$0.25	N/A	N/A	August 15, 2023
Robin Linden, Director	Stock Options	500,000[1] 21.7%	August 15, 2018	$0.25	N/A	N/A	August 15, 2023

(1) These stock options are fully vested. One common share is issuable on the exercise of each stock option.

(2) These stock options vest equally over eight quarters, with one-eighth vested immediately on the grant date. One common share is issuable on the exercise of each stock option.

Employment, consulting and management agreements

Except as disclosed herein, the Issuer does not have any plan or arrangement with respect to compensation to its executive officers which would result from the resignation, retirement or any other termination of employment of the executive officers' employment with the Issuer or from a change of control of the Issuer or a change in the executive officers' responsibilities following a change in control.

On March 1, 2018, a management consulting agreement was entered into between the Issuer and Jonathan Fiteni (the "**Fiteni Agreement**"). Pursuant to the terms of the Fiteni Agreement, services to be provided include, but are not limited to, carrying out the duties and responsibilities of the position of the CEO for the Issuer, providing vision and product concepts that help open up new markets and revenue streams, assisting the Issuer with structuring deals and expanding its asset base, managing the Issuer's strategic marketing concepts, and assisting the Issuer with the preparation of certain technical news releases.

The Fiteni Agreement provides the right to a termination payment in certain circumstances which exclude termination resulting from a material breach being committed or for other reasons including death, permanent disability, the conviction of an indictable offence, or a material conflict of interest. The termination payment is equal six months of the base fee ($10,000 per month during first year of service and $12,000 per month during second year of service) and 50% of the average of the annual bonuses or other cash incentive payments, if any, paid by the Issuer to the consultant pursuant to the discretion of the directors in the two calendar years immediately preceding the year in which the termination occurs. The termination payment becomes payable upon the occurrence of a change of control and triggering event which includes, but is not limited to, a substantial change to the nature of the services to be performed by the consultant, a material breach by the Issuer which has not been remedied, the issuer ceasing to operate as a going concern, or a material reduction in the base fee or any other form of compensation payable by the Issuer to the consultant.

On March 1, 2018, a management consulting agreement was entered into between the Issuer and Accrete Consulting Inc., a company controlled by Marcelin O'Neill (the "**Accrete Agreement**"). Pursuant to the terms of the Accrete Agreement, services to be provided include, but are not limited to, carrying out the duties and responsibilities of the position of the Chief Compliance Officer for the Issuer, assisting with accounting related matters, regulatory compliance and regulatory filings, managing and maintaining content for the Issuer's website, convening meetings and communication with the directors and its various committees, and assisting the Issuer with the preparation of certain non-technical news releases and communicating with shareholders, investors, transfer agent, analysts, and media.

The Accrete Agreement provides the right to a termination payment in certain circumstances which exclude termination resulting from a material breach being committed or for other reasons including death, permanent disability, the conviction of an indictable offence, or a material conflict of interest of Marcelin O'Neill. The termination payment is equal six months of the base fee ($10,000 per month) and 50% of the average of the annual bonuses or other cash incentive payments, if any, paid by the Issuer to the consultant pursuant to the discretion of the directors in the two calendar years immediately preceding the year in which the termination occurs. The termination payment becomes payable upon the occurrence of a change of control and triggering event which includes, but is not limited to, a substantial change to the nature of the services to be performed by the consultant, a material breach by the Issuer which has not been remedied, the issuer ceasing to operate as a going concern, or a material reduction in the base fee or any other form of compensation payable by the Issuer to the consultant.

On April 1, 2018, a management consulting agreement was entered into between the Issuer and Cherry Consulting Ltd., a company controlled by Christopher Cherry (the "**Cherry Agreement**"). Pursuant to the terms of the Cherry Agreement, services to be provided include, but are not limited to, establishing and maintaining suitable banking relations, completing monthly bookkeeping needs as well as overseeing ongoing bookkeeping requirements of the Issuer, completing various tax documents such as payroll remittance and GST/HST filings as required, securing and obtaining for the benefit of the Issuer competent tax and legal advices including auditing services, and all such other duties as may be imposed upon the consultant from time to time due to the nature of the Issuer's business.

The Cherry Agreement provides the right to a termination payment in certain circumstances which exclude termination resulting from a material breach being committed or for other reasons including death, permanent disability, the conviction of an indictable offence, or a material conflict of interest of Christopher Cherry. The termination payment is equal six months of the base fee ($7,500 per month) and 50% of the average of the annual bonuses or other cash incentive payments, if any, paid by the Issuer to the consultant pursuant to the discretion of the directors in the two calendar years immediately preceding the year in which the termination occurs. The termination payment becomes payable upon the occurrence of a change of control and triggering event which includes, but is not limited to, a substantial change to the nature of the services to be performed by the consultant, a material breach by the Issuer which has not been remedied, the issuer ceasing to operate as a going concern, or a material reduction in the base fee or any other form of compensation payable by the Issuer to the consultant.

Oversight and description of director and named executive officer compensation

The Issuer, at its present stage, does not have any formal objectives, criteria and analysis for determining the compensation of its NEOs and primarily relies on the discussions and determinations of the Board. When determining individual compensation levels for the Issuer's NEOs, a variety of factors will be considered including: the overall financial and operating performance of the Issuer, each NEO's individual performance and contribution towards meeting corporate objectives and each NEO's level of responsibility and length of service.

The Issuer's executive compensation is intended to be consistent with the Issuer's business plans, strategies and goals, including the preservation of working capital as the Issuer seeks to complete its listing on the CSE. The Issuer's executive compensation program is intended to provide appropriate compensation that permits the Issuer to attract and retain highly qualified and experienced senior executives and to encourage superior performance by the Issuer. The Issuer's compensation policies are intended to motivate individuals to achieve and to award compensation based on corporate and individual results.

The Issuer does not have any arrangements, standard or otherwise, pursuant to which directors are compensated by the Issuer for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts. As with the NEOs, the Board intends to compensate directors primarily through the grant of stock options and reimbursement of expenses incurred by such persons acting as directors of the Issuer.

During the period from incorporation to May 31, 2018, the Issuer did not grant any stock options to directors or NEOs.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus, no director, executive officer or employee of the Issuer is or has been indebted to the Issuer at any time.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

The text of the Audit Committee's Charter is attached as Schedule "F".

Composition of the Audit Committee

The members of the Audit Committee are Robin Linden, Marcelin O'Neill and Jonathan Fiteni. Robin Linden is independent as that term is defined in NI 52-110.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Issuer. A material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

Relevant Education and Experience

All of the members of the Audit Committee have gained their education and experience by participating in the management of various companies and all members are "financially literate" as defined in NI 52-110, meaning that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Issuer's financial statements.

Audit Committee Oversight

At no time since inception was a recommendation of the Audit Committee made to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since inception has the Issuer relied on the exemption in Section 2.4 of NI 52-110 (de minimis non-audit services), the exemption in subsection 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer), the exemption in subsection 6.1.1(5) (Events Outside of Control of Member), the exemption in subsection 6.1.1(6) (Death, Incapacity or Resignation) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval of Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

Nature of Services	Fees Paid to Auditor in respect of the financial year ended May 31, 2018 for the Issuer[5]	Fees Paid to Auditor in respect of the financial year ended December 31, 2017 for MedicOasis	Fees Paid to Auditor in respect of the period ended May 31, 2018 for MedicOasis
Audit Fees[1]	5,000	Nil	5,000
Audit-Related Fees[2]	Nil	Nil	Nil
Tax Fees[3]	Nil	Nil	Nil
All Other Fees[4]	Nil	Nil	Nil
Total	5,000	Nil	5,000

(1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Issuer's financial statements. Audit Fees include aggregate fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits. This includes fees for, or related to, but not yet paid in respect of the present financial year.

(2) "Audit-Related Fees" include fees for services that are traditionally performed by the auditor. These audit-related services may include aggregate fees for due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes aggregate fees for tax compliance, tax planning and tax advice.

(4) "All Other Fees" include all other non-audit services, in the aggregate.

(5) The Issuer was incorporated on November 7, 2017, therefore no audit fees were paid to auditors prior to that date.

Exemption

The Issuer is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110.

Corporate Governance

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Issuer. The Board is committed to sound corporate governance practices, which are in the interest of its shareholders and contribute to effective and efficient decision making.

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Issuer has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Issuer's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Issuer at its current stage of development and therefore these guidelines have not been adopted. The Issuer will continue to review and implement corporate governance guidelines as the business of the Issuer progresses and becomes more active in operations. National Instrument 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices in Form 58-101F2, which disclosure is set out below.

1. Board of Directors

The mandate of the Board is to supervise the management of the Issuer and to act in the best interests of the Issuer. The Board acts in accordance with:

(a) the BCBCA;

(b) the Issuer's articles of incorporation; and

(c) other applicable laws and Issuer policies.

The Board approves all significant decisions that affect the Issuer before they are implemented. The Board supervises their implementation and reviews the results.

The Board is actively involved in the Issuer's strategic planning process. The Board discusses and reviews all materials relating to the strategic plan with management. The Board is responsible for reviewing and approving the strategic plan. At least one Board meeting each year is devoted to discussing and considering the strategic plan, which takes into account the risks and opportunities of the business. Management must seek the Board's approval for any transaction that would have a significant impact on the strategic plan.

The Board periodically reviews the Issuer's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Issuer's internal control and management information systems. The Board also monitors the Issuer's compliance with its timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board periodically discusses the systems of internal control with the Issuer's external auditor.

The Board is responsible for choosing the CEO and appointing senior management and for monitoring their performance and developing descriptions of the positions for the Board, including the limits on management's responsibilities and the corporate objectives to be met by the management.

The Board approves all the Issuer's major communications, including annual and quarterly reports, financing documents and press releases. The Board approves the Issuer's communication policy that covers the accurate and timely communication of all important information. It is reviewed annually. This policy includes procedures for communicating with analysts by conference calls.

The Board, through its Audit Committee, examines the effectiveness of the Issuer's internal control processes and management information systems. The Board consults with the internal auditor and management of the Issuer to ensure the integrity of these systems. The internal auditor submits a report to the Audit Committee each year on the quality of the Issuer's internal control processes and management information systems.

The Board is responsible for determining whether or not each director is an independent director. Directors who also act as officers of the Issuer are not considered independent. Directors who do not also act as officers of the Issuer, do not work in the day-to-day operations of the Issuer, are not party to any material contracts with the Issuer, or receive any fees from the Issuer except as disclosed in this Prospectus.

The Issuer's Board consists of three directors, one of whom are independent based upon the tests for independence set forth in NI 52-110. Robin Linden is independent. Marcelin O'Neill is not independent as she is the Chief Compliance Officer of the Issuer and Jonathan Fiteni is not independent as he is the Chief Executive Officer of the Issuer.

2. Directorships

The directors of the Issuer currently hold directorships or executive officer positions in other reporting issuers as follows:

Name	Name of Reporting Issuer	Name of Market	Position
Marcelin O'Neill	Alternate Health Corp.	CSE	CCO
Robin Linden	MYM Nutraceuticals Inc.	CSE	Director

3. Orientation and Continuing Education

The Board of the Issuer briefs all new directors on the policies of the Board and other relevant corporate and business information.

4. Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Issuer's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Issuer.

Under the applicable corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Issuer and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and to disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Issuer or an affiliate of the Issuer, (ii) is for indemnity or insurance for the benefit of the director in connection with the Issuer, or (iii) is with an affiliate of the Issuer. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Issuer at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Issuer for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Issuer and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

5. Nomination of Directors

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Issuer, the ability to devote the time required, shown support for the Issuer's mission and strategic objectives, and a willingness to serve.

6. Compensation

The Board conducts reviews with regard to directors' compensation once a year. To make its recommendation on directors' compensation, the Board of Directors takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies and aligns the interests of directors with the return to shareholders.

The Board decides the compensation of the Issuer's officers, based on industry standards and the Issuer's financial situation.

7. Other Board Committees

The Board has no committees other than the Audit Committee.

8. Assessments

The Board monitors the adequacy of information given to directors, communication between the board and management and the strategic direction and processes of the board and committees.

RISK FACTORS

The Common Shares should be considered highly speculative due to the nature of the Issuer's business and the present stage of its development. In evaluating the Issuer and its business, readers should carefully consider, in addition to the other information contained in this Prospectus, the following risk factors. These risk factors are not a definitive list of all risk factors associated with an investment in the Issuer or in connection with the Issuer's operations. There may be other risks and uncertainties that are not known to the Issuer or that the Issuer currently believes are not material but which also may have a material adverse effect on its business, financial condition, operating results or prospects. In that case, the trading price of the Common Shares could decline substantially, and investors may lose all or part of the value of the Common Shares held by them. An investment in securities of the Issuer should only be made by persons who can afford a significant or total loss of their investment.

Risk Factors Related to the Issuer's Common Shares

There is currently no public trading market for the Common Shares

Currently there is no public market for the Common Shares of the Issuer, and there can be no assurance that an active market for the Common Shares will develop or be sustained.

Volatility of Stock Price and Market Conditions

The market price of the Common Shares may be subject to wide fluctuations in response to factors such as actual or anticipated variations in its results of operations, changes in financial estimates by securities analysts, general market conditions and other factors. Market fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes or international currency fluctuations, may adversely affect the market price of the Common Shares, even if the Issuer is successful in maintaining revenues, cash flows or earnings. The purchase of the Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Securities of the Issuer should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Issuer should not constitute a major portion of an investor's portfolio.

Risk Factors Associated with the Issuer's Business

Limited Operating History

MedicOasis has no history of operations, is not a Licensed Producer and is in the application stage only. There is no assurance it will receive a license to produce. As such, MedicOasis is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There is no assurance that we will be successful in achieving a return on shareholders' investment and the likelihood of our success must be considered in light of our early stage of operations.

The Issuer's actual financial position and results of operations may differ materially from the expectations of the Issuer's management

The Issuer's actual financial position and results of operations may differ materially from management's expectations. The process for estimating the Issuer's revenue, net income and cash flow requires the use of judgment in determining the appropriate assumptions and estimates. These estimates and assumptions may be revised as additional information becomes available and as additional analyses are performed. In addition, the assumptions used in planning may not prove to be accurate, and other factors may affect the Issuer's financial condition or results of operations.

The Issuer expects to incur significant ongoing costs and obligations related to its investment in infrastructure, growth, regulatory compliance and operations

The Issuer expects to incur significant ongoing costs and obligations related to its investment in infrastructure and growth and for regulatory compliance, which could have a material adverse impact on the Issuer's results of operations, financial condition and cash flows. In addition, future changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Issuer's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Issuer. Our efforts to grow our business may be costlier than we expect, and we may not be able to increase our revenue enough to offset our higher operating expenses. We may incur significant losses in the future for a number of reasons, including the other risks described in this prospectus, and unforeseen expenses, difficulties, complications and delays, and other unknown events. If we are unable to achieve and sustain profitability, the market price of our Common Shares may significantly decrease.

The medical cannabis industry and market are relatively new in Canada and this industry and market may not continue to exist or grow as anticipated or the Issuer may be ultimately unable to succeed in this new industry and market

The Issuer operating its business in a relatively new industry and market. In addition to being subject to general business risks, the Issuer must continue to build brand awareness in this industry and market through significant investments in its strategy, its production capacity, quality assurance and compliance with regulations. In addition, there is no assurance that the industry and market will continue to exist and grow as currently estimated or anticipated or function and evolve in the manner consistent with management's expectations and assumptions. Any event or circumstance that adversely affects the cannabis industry and market could have a material adverse effect on the Issuer's business, financial conditions and results of operations.

There are factors which may prevent the MedicOasis from the realization of growth targets

The Issuer's growth strategy contemplates acquisitions and entering into joint ventures. 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 the following:

- 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;
- breakdown, aging or failure of equipment or processes;
- 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; and
- major incidents and/or catastrophic events such as fires, explosions, storms, or physical attacks.

If the Québec Facility is not completed the Issuer will have no production facility for its operations

The Issuer is expecting to complete the build out of the Québec Facility. The Québec Facility is expected to become integral to the Issuer's business and adverse changes or developments affecting the Québec Facility may impact the Issuer's business, financial condition and results of operations. No assurance can be given that Health Canada will approve MedicOasis' Cultivation License for the Québec Facility, and if this license cannot be secured, the expectations of management with respect to the increased future cultivation and growing capacity may not be borne out, which could have a material adverse effect on the Issuer's business, financial condition and results of operations. Further, construction delays or cost over-runs in respect of the build-out of the Québec Facility, howsoever caused, could have a material adverse effect on the Issuer's business, financial condition and results of operations.

The Québec Facility is also subject to a number of construction risk factors, including the availability and performance of engineering and construction contractors, suppliers and consultants, the receipt of required governmental approvals and permits. There can be no assurance that current or future construction plans implemented by the Issuer will be successfully completed on time, within budget and without design defect; that available personnel and equipment will be available in a timely manner or on reasonable terms to successfully complete construction projects; that the Issuer will be able to obtain all necessary governmental approvals and permits; or that the completion of the construction, the start-up costs and the ongoing operating costs will not be significantly higher than anticipated by the Issuer. Any of the foregoing factors could adversely impact the operations and financial condition of the Issuer.

The Issuer is reliant on Health Canada licenses to produce and sell medical cannabis products in Canada

Commencement of the Issuer's operations depends on MedicOasis being granted a Cultivation License for its ability to grow and store medical cannabis and other products derived therefrom and the license is subject to ongoing compliance, reporting requirements and renewal. This Cultivation License can then be amended to allow for the sale of medical cannabis. Such license is also subject to ongoing compliance, reporting requirements and renewal.

As of the date of this Prospectus, MedicOasis does not have a Cultivation License and will not be a Licensed Producer under the ACMPR until it receives such license. There can be no guarantee that Health Canada will issue a Cultivation License or any licenses to MedicOasis.

Government licenses are currently, and in the future may be, required in connection with the MedicOasis' operations, in addition to other unknown permits and approvals which may be required. To the extent such permits and approvals are required and not obtained, the Issuer may be prevented from operating and/or expanding its business, which could have a material adverse effect on the Issuer's business, financial condition and results of operations.

The Issuer is subject to changes in Canadian laws, regulations and guidelines which could adversely affect the Issuer's future business, financial condition and results of operations

MedicOasis' operations will be 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 drugs, controlled substances, health and safety, the conduct of operations and the protection of the environment. Changes to such laws, regulations and guidelines due to matters beyond the control of the Issuer may cause material adverse effects on business, financial condition and results of operations of MedicOasis. MedicOasis endeavours to comply with all relevant laws, regulations and guidelines.

On June 30, 2016, the Government of Canada established the Task Force to seek input on the design of a new system to legalize, strictly regulate and restrict access to marijuana. On December 13, 2016, the Task Force completed its review and published a report outlining its recommendations. Several recommendations from the Task Force reflected in the Cannabis Act including, but not limited to, permitting home cultivation, potentially easing barriers to entry into a Canadian recreational marijuana market and restrictions on advertising and branding, could materially and adversely affect the future business, financial condition and results of operations of the Issuer. On April 13, 2017, the Canadian Federal Government released Bill C-45, which proposed the enactment of the Cannabis Act, to regulate the production, distribution and sale of cannabis for unqualified adult use. On June 21, 2018, Bill C-45, the Cannabis Act, became law when it received Royal Assent. Bill C-45 is legislation that will legalize access to recreational cannabis in Canada upon coming into force on October 17, 2018.

The governments of British Columbia, Saskatchewan, and Manitoba have introduced regulatory frameworks but are yet to pass legislation regulating the distribution and sale of cannabis for recreational purposes. There is no guarantee that provincial legislation regulating the distribution and sale of cannabis for recreational purposes will be enacted according to the terms announced by such provinces, or that any such legislation, if enacted, will create the growth opportunities that the Issuer currently anticipates.

The Issuer may not be able to develop its products, which could prevent it from ever becoming profitable

If the Issuer cannot successfully develop, manufacture and distribute its products, or if the Issuer experiences difficulties in the development process, such as capacity constraints, quality control problems or other disruptions, the Issuer may not be able to develop market-ready commercial products at acceptable costs, which would adversely affect the Issuer's ability to effectively enter the market. A failure by the Issuer to achieve a low-cost structure through economies of scale or improvements in cultivation and manufacturing processes would have a material adverse effect on the Issuer's commercialization plans and the Issuer's business, prospects, results of operations and financial condition.

There is no assurance that the Issuer will turn a profit or generate immediate revenues

There is no assurance as to whether the Issuer will be profitable, earn revenues, or pay dividends. The Issuer has incurred and anticipates that it will continue to incur substantial expenses relating to the development and initial operations of its business. The payment and amount of any future dividends will depend upon, among other things, the Issuer's results of operations, cash flow, financial condition, and operating and capital requirements. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividends.

The Issuer faces competition from other companies where it will conduct business that may have higher capitalization, more experienced management or may be more mature as a business

An increase in the companies competing in this industry could limit the ability of the Issuer to expand its operations. Current and new competitors may be better capitalized, have a longer operating history, more expertise and able to develop higher quality equipment or products, at the same or a lower cost. The Issuer cannot provide assurances that it will be able to compete successfully against current and future competitors. Competitive pressures faced by the Issuer could have a material adverse effect on its business, operating results and financial condition. In addition, despite Canadian federal and state-level legalization of marijuana, illicit or "black-market" operations remain abundant and present substantial competition to the Issuer. In particular, illicit operations, despite being largely clandestine, are not required to comply with the extensive regulations that the Issuer must comply with to conduct business, and accordingly may have significantly lower costs of operation.

If the Issuer is unable to develop and market new products, it may not be able to keep pace with market developments

The cannabis industry is in its early stages and it is likely that the Issuer and its competitors will seek to introduce new products in the future. In attempting to keep pace with any new market developments, the Issuer will need to expend significant amounts of capital in order to successfully develop and generate revenues from, new products. The Issuer may also be required to obtain additional regulatory approvals from Health Canada and other applicable authorities which may take significant time. The Issuer may not be successful in developing effective and safe new products, bringing such products to market in time to be effectively commercialized, or obtaining any required regulatory approvals, which together with capital expenditures made in the court of such product development and regulatory approval processes, may have an material adverse effect on the Issuer's business, financial condition and results of operations.

If the Issuer is unable to attract and retain key personnel, it may not be able to compete effectively in the cannabis market

The Issuer's success depends upon its ability to attract and retain key management. The Issuer will attempt to enhance its management and technical expertise by continuing to recruit qualified individuals who possess desired skills and experience in certain targeted areas. The Issuer's inability to retain employees and attract and retain sufficient additional employees or engineering and technical support resources could have a material adverse effect on the Issuer's business, results of operations, future sales, cash flow or financial condition. Shortages in qualified personnel or the loss of key personnel could adversely affect the financial condition of the Issuer, results of operations of the business and could limit the Issuer's ability to develop and market its cannabis-related products. The loss of any of the Issuer's senior management

or key employees could materially adversely affect the Issuer's ability to execute our business plan and strategy, and the Issuer may not be able to find adequate replacements on a timely basis, or at all.

There is no assurance that the Issuer will obtain licenses or approvals that may be required for the Issuer's business and future plans

The Issuer's ability to grow, store and sell cannabis in Canada is dependent on the ability of the Issuer to obtain licenses from Health Canada, including a Cultivation License and a Sales License. Licenses, once issued, are subject to ongoing compliance and reporting requirements. Failure to comply with the requirements would have a material adverse impact on the business, financial condition and operating results of the Issuer. There is also no assurance of new licenses or approvals from Health Canada.

The Issuer 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. Any delays in obtaining, or failure to obtain the necessary regulatory approvals will significantly delay the development of the Issuer's markets and products and could have a material adverse effect on the business, results of operations and financial condition of the Issuer.

The size of the Issuer's target market is difficult to quantify, and investors will be reliant on their own estimates on the accuracy of market data

Because the cannabis industry is in a nascent stage with uncertain boundaries, there is a lack of information about comparable companies available for potential investors to review in deciding about whether to invest in the Issuer and, few, if any, established companies whose business model the Issuer can follow or upon whose success the Issuer can build. Accordingly, investors will have to rely on their own estimates in deciding about whether to invest in the Issuer. There can be no assurance that the Issuer's estimates are accurate or that the market size is sufficiently large for its business to grow as projected, which may negatively impact its financial results. The Issuer regularly follows market research.

The cultivation of cannabis includes risks inherent in an agricultural business including the risk of crop loss, sudden changes in environmental conditions, equipment failure, product recalls and others.

The Issuer's future business involves the growing of medical marijuana, an agricultural product. Such business will be subject to the risks inherent in the agricultural business, such as insects, plant diseases and similar agricultural risks. Although the Issuer expects that any such growing will be completed indoors under climate-controlled conditions, there can be no assurance that natural elements will not have a material adverse effect on any such future production.

The expansion of the medical cannabis industry may require new clinical research into effective medical therapies, when such research has been restricted in the U.S. and is new to Canada.

Research in Canada and internationally regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis or isolated cannabinoids (such as CBD and THC) remains in early stages. There have been relatively few clinical trials on the benefits of cannabis or isolated cannabinoids (such as CBD and THC). Although the Issuer believes that the articles, reports and studies support its beliefs regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis, future research and clinical trials may prove such statements to be incorrect, or could raise concerns regarding, and perceptions relating to, cannabis. Given these risks, uncertainties and assumptions, investors should not place undue reliance on such articles and reports. Future research studies and clinical trials may draw opposing conclusions to those stated in this prospectus or reach negative conclusions regarding the medical benefits, viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to medical cannabis, which could have a material adverse effect on the demand for the Issuer's products with the potential to lead to a material adverse effect on the Issuer's business, financial condition and results of operations.

Under Canadian regulations, a Licensed Producer of cannabis may have restrictions on the type and form of marketing it can undertake which could materially impact sales performance.

The development of the Issuer's future business and operating results may be hindered by applicable restrictions on sales and marketing activities imposed by Health Canada. The regulatory environment in Canada limits the Issuer's ability to compete for market share in a manner similar to other industries. If the Issuer is unable to effectively market its products and compete for market share, or if the costs of compliance with government legislation and regulation cannot be absorbed through increased selling prices for its products, the Issuer's sales and operating results could be adversely affected.

The cannabis industry is experiencing rapid growth and consolidation that may cause the Issuer to lose key relationships and intensify competition

The cannabis industry is undergoing rapid growth and substantial change, which has resulted in an increase in competitors, consolidation and formation of strategic relationships. Acquisitions or other consolidating transactions could harm the Issuer in a number of ways, including by losing strategic partners if they are acquired by or enter into relationships with a competitor, losing customers, revenue and market share, or forcing the Issuer to expend greater resources to meet new or additional competitive threats, all of which could harm the Issuer's operating results. As competitors enter the market and become increasingly sophisticated, competition in the Issuer's industry may intensify and place downward pressure on retail prices for its products and services, which could negatively impact its profitability.

Expansion into Foreign Jurisdictions.

The Issuer's expansion into jurisdictions outside of Canada is subject to risks. In addition, in jurisdictions outside of Canada, there can be no assurance that any market for the Issuer's products will develop. The Issuer may face new or unexpected risks or significantly increase its exposure to one or more existing risk factors, including economic instability, changes in laws and regulations, and the effects of competition. These factors may limit the Issuer's ability to successfully expand its operations into such jurisdictions and may have a material adverse effect on the Issuer's business, financial condition and results of operations.

The Issuer's Operations in Emerging Markets are Subject to Political and Other Risks Associated with Operating in a Foreign Jurisdiction.

The Issuer will have operations in Colombia and may have operations in additional emerging markets in the future. Such operations expose the Issuer to the socioeconomic conditions as well as the laws governing the cannabis industry in such countries. Inherent risks with conducting foreign operations include, but are not limited to: high rates of inflation; extreme fluctuations in currency exchange rates, military repression; war or civil war; social and labour unrest; organized crime; hostage taking; terrorism; violent crime; expropriation and nationalization; renegotiation or nullification of existing licenses, approvals, permits and contracts; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political norms, currency controls and governmental regulations that favour or require the Issuer to award contracts in, employ citizens of, or purchase supplies from, the jurisdiction. Governments in certain foreign jurisdictions intervene in their economies, sometimes frequently, and occasionally make significant changes in policies and regulations. Changes, if any, in marijuana industry or investment policies or shifts in political attitude in the countries in which the Issuer operates may adversely affect the Issuer's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, importation of product and supplies, income and other taxes, royalties, the repatriation of profits, expropriation of property, foreign investment, maintenance of concessions, licenses, approvals and permits, environmental matters, land use, land claims of local people, water use and workplace safety. Failure to comply strictly with applicable laws, regulations and local practices could result in loss, reduction or expropriation of licenses, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. The Issuer continues to monitor developments and policies in the emerging markets in which it will operate and assess the impact thereof to its operations; however such developments cannot be accurately predicted and could have an adverse effect on the Issuer's operations or profitability.

Corruption and Fraud in Certain Emerging Markets Relating to Ownership of Real Property May Adversely Affect the Issuer's Business.

There are uncertainties, corruption and fraud relating to title ownership of real property in certain emerging markets in which the Issuer operates or may operate. Property disputes over title ownership are frequent in emerging markets, and, as a result, there is a risk that errors, fraud or challenges could adversely affect the Issuer's ability to operate in such jurisdictions.

Inflation in Emerging Markets, Along with Governmental Measures to Combat Inflation, may have a Significant Negative Effect on Local Economies and also on the Issuer's Financial Condition and Results of Operations.

In the past, high levels of inflation have adversely affected emerging economies and financial markets, and the ability of government to create conditions that stimulate or maintain economic growth. Moreover, governmental measures to curb inflation and speculation about possible future governmental measures have contributed to the negative economic impact of

inflation and have created general economic uncertainty. The emerging markets in which the Issuer operates or may operate may experience high levels of inflation in the future. Inflationary pressures may weaken investor confidence in such countries and lead to further government intervention in the economy. If countries in which the Issuer operates experience high levels of inflation in the future and/or price controls are imposed, the Issuer may not be able to adjust the rates the Issuer charges the Issuer's customers to fully offset the impact of inflation on the Issuer's cost structures, which could adversely affect the Issuer's results of operations or financial condition.

The Issuer's Operations may be Impaired as a Result of Restrictions on the Acquisition or Use of Properties by Foreign Investors or Local Companies under Foreign Control.

Non-resident individuals and non-domiciled foreign legal entities may be subject to restrictions on the acquisition or lease of properties in certain emerging markets. Limitations also apply to legal entities domiciled in such countries which are controlled by foreign investors, such as the entities through which the Issuer operates in certain countries. Accordingly, the Issuer's current and future operations may be impaired as a result of such restrictions on the acquisition or use of property, and the Issuer's ownership or access rights in respect of any property it owns or leases in such jurisdictions may be subject to legal challenges, all of which could result in a material adverse effect on the Issuer's business, results of operations, financial condition and cash flows.

The Issuer Relies on International Advisors and Consultants.

The legal and regulatory requirements in the foreign countries in which the Issuer operates with respect to the cultivation and sale of cannabis, banking system and controls, as well as local business culture and practices are different from those in Canada. The officers and directors of the Issuer must rely, to a great extent, on the Issuer's local legal counsel and local consultants retained by the Issuer in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect the Issuer's business operations, and to assist the Issuer with its governmental relations. The Issuer must rely, to some extent, on those members of management and the Issuer's board of directors who have previous experience working and conducting business in these countries, if any, in order to enhance its understanding of and appreciation for the local business culture and practices. The Issuer also relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of the cultivation and sale of marijuana as well as in respect of banking, financing, labour, litigation and tax matters in these jurisdictions. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices are beyond the control of the Issuer. The impact of any such changes may adversely affect the business of the Issuer.

The Issuer May Expand into Other Geographic Areas, which could Increase the Issuer's Operational, Regulatory and Other Risks.

In addition to the jurisdictions described elsewhere in this prospectus, the Issuer may in the future expand into other geographic areas, which could increase the Issuer's operational, regulatory, compliance, reputational and foreign exchange rate risks. The failure of the Issuer's operating infrastructure to support such expansion could result in operational failures and regulatory fines or sanctions. Future international expansion could require the Issuer to incur a number of up-front expenses, including those associated with obtaining regulatory approvals, as well as additional ongoing expenses, including those associated with infrastructure, staff and regulatory compliance. The Issuer may not be able to successfully identify suitable acquisition and expansion opportunities or integrate such operations successfully with the Issuer's existing operations.

The Issuer may be Responsible for Corruption and Anti-bribery Law Violations.

The Issuer's business is subject to Canadian laws which generally prohibit companies and employees from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. In addition, the Issuer is subject to the anti-bribery laws of any other countries in which it conducts business now or in the future. The Issuer's employees or other agents may, without its knowledge and despite its efforts, engage in prohibited conduct under the Issuer's policies and procedures and anti-bribery laws for which the Issuer may be held responsible. The Issuer's policies mandate compliance with these anti-corruption and anti-bribery laws. However, there can be no assurance that the Issuer's internal control policies and procedures will always protect it from recklessness, fraudulent behaviour, dishonesty or other inappropriate acts committed by its affiliates, employees, contractors or agents. If the Issuer's employees or other agents are found to have engaged in such practices, the Issuer could suffer severe penalties and other consequences that may have a material adverse effect on its business, financial condition and results of operations.

The Issuer's officers and directors may be engaged in a range of business activities resulting in conflicts of interest.

The Issuer may be subject to various potential conflicts of interest because some of its officers and directors may be engaged in a range of business activities. In addition, the Issuer'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 the Issuer. In some cases, the Issuer's executive officers and directors may have fiduciary obligations associated with these business interests that interfere with their ability to devote time to the Issuer's business and affairs and that could adversely affect the Issuer's operations. These business interests could require significant time and attention of the Issuer's executive officers and directors. In addition, the Issuer 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 the Issuer 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 the Issuer. In addition, from time to time, these persons may be competing with the Issuer for available investment opportunities. Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, if such a conflict of interest arises at a meeting of the Issuer'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 the Issuer are required to act honestly, in good faith and in the best interests of the Issuer.

Negative Operating Cash Flow

Although the Issuer expects to become profitable, there is no guarantee that will happen, and we may never become profitable. The Issuer currently has a negative operating cash flow and may continue to have that for the foreseeable future. To date, we have not generated any revenues. As a result, the Issuer expects our net losses from operations to improve. Our ability to generate additional revenues and potential to become profitable will depend largely on our ability, to manufacture and market our products. There can be no assurance that any such events will occur or that the Issuer will ever become profitable. Even if the Issuer does achieve profitability, the Issuer cannot predict the level of such profitability. If the Issuer sustains losses over an extended period of time, the Issuer may be unable to continue our business.

Vulnerability to Rising Energy Costs

The Issuer's future medical marijuana growing operations may consume considerable energy, making the Issuer vulnerable to rising energy costs. Rising or volatile energy costs may adversely impact the business of the Issuer and its ability to operate profitably.

Publicity or Consumer Perception

The Issuer believes that the medical marijuana industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of the medical marijuana produced. Consumer perception of the MedicOasis' future products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of medical marijuana 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 marijuana 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 the MedicOasis' future products and the business, results of operations, financial condition and the MedicOasis' future cash flows. The MedicOasis' 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 MedicOasis. Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of medical marijuana in general, or associating the consumption of medical marijuana 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 appropriately or as directed.

Difficulty to Forecast

The Issuer 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 marijuana industry in Canada. A failure in the demand for 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 the Issuer.

Additional Requirements for Capital

Substantial additional financing may be required if the Issuer is to be successful develop its business. No assurances can be given that the Issuer will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Issuer, if at all. If the Issuer is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Currency Risk

The Issuer will be exposed to foreign currency fluctuations to the extent that certain operations are located in the United States and therefore certain expenditures and obligations are denominated in US dollars, yet the Issuer is headquartered in Canada, has applied to list its common shares on a Canadian stock exchange and typically raises funds in Canadian dollars. As such, the Issuer's results of operations are subject to foreign currency fluctuation risks and such fluctuations may adversely affect the financial position and operating results of the Issuer.

No dividend history

No dividends have been paid by the Issuer 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 Issuer's board of directors' after taking into account many factors, including the Issuer's financial condition and current and anticipated cash needs.

PROMOTERS

Marcelin O'Neill is considered to be a "promoter" of the Issuer as that term is defined in the *Securities Act* (British Columbia) in that she took the initiative in forming the Issuer. Ms. O'Neill is also Chief Compliance Officer and director of the Issuer. Please refer to "Directors and Executive Officers" above. In addition to her shareholdings, Ms. O'Neill holds 500,000 stock options that were granted to her in her capacity as a director and officer.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no material pending legal proceedings or regulatory actions to which the Issuer is or is likely to be a party or of which any of its assets are or are likely to be the subject.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The directors and officers hold Common Shares and have been granted options to purchase Common Shares in the future. See "Directors and Executive Officers" and "Promoters" and "Options to Purchase Securities". Neither the directors, officers and principal shareholders of the Issuer, nor any associate or affiliate of the foregoing, have had no material interest, direct or indirect, in any transactions in which the Issuer has participated within the three year period prior to the date of this Prospectus, or will have any material interest in any proposed transaction, which has materially affected or will material affect the Issuer.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditor

The Issuer's auditor and MedicOasis' auditor is Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants of Vancouver, BC**.**

Registrar and Transfer Agent

The registrar and transfer agent of the Issuer is Computershare Investor Services Inc., at its Vancouver office located at 510 Burrard Street, 3rd Floor, Vancouver, BC, V6C 3B9.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Issuer and MedicOasis within two years prior to the date hereof which are currently in effect and considered to be currently material:

1. Purchase and Sale Agreement among the Issuer, MedicOasis, Yu Zhi Wang, Antonio Bramante and Canna Technology dated May 31, 2018. See "Corporate Structure – Purchase of MedicOasis".

2. FCM Agreement between the Issuer and FCM Global dated May 26, 2018, as amended July 30, 2018. See "Describe the Business – Foreign Operations".

3. Orion Loan Agreement between the Issuer and FCM Global dated April 27, 2018. See "Describe the Business – History and Development of the Business".

4. Escrow Agreement between the Issuer, the Escrowed Securityholders and Computershare Investor Services Inc., to be dated the date of closing of the Purchase and Sale. See "Escrowed Securities and Securities Subject to Contractual Restriction on Transfer".

Copies of all material contracts and reports referred to in this Prospectus may be inspected at the registered office of the Issuer located at Suite 309 - 1485 West 6th Avenue, Vancouver, BC V6H 4G1 during normal business hours from the date of this Prospectus and for a period of 30 days thereafter, as well as on the SEDAR website at www.sedar.com upon the Effective Date of this Prospectus.

EXPERTS

No person or company whose profession or business gives authority to a report, valuation, statement or opinion and who is named as having prepared or certified a part of this Prospectus or as having prepared or certified a report or valuation described or included in this Prospectus holds or is to hold any beneficial or registered interest, direct or indirect, in any securities or property of the Issuer or any associate or affiliate of the Issuer.

Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants is the auditor of the Issuer and MedicOasis. Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants is independent within the meaning of the rules of professional conduct of the Chartered Professional Accountants of British Columbia.

OTHER MATERIAL FACTS

To management's knowledge, there are no other material facts relating to the Issuer that are not otherwise disclosed in this Prospectus, or are necessary in order for the prospectus to contain full, true and plain disclosure of all material facts relating to the Issuer.

FINANCIAL STATEMENTS

Attached to and forming a part of this Prospectus are the following financial statements:

- Audited financial statements of the Issuer for the period from incorporation (November 7, 2017) to May 31, 2018.
- Audited financial statements for MedicOasis for the financial years ended December 31, 2017 and 2016 and the five month period ended May 31, 2018.
- Pro Forma financial statements for the Issuer giving effect to the acquisition of MedicOasis as at May 31, 2018.

SCHEDULE "A"

FINANCIAL STATEMENTS OF THE ISSUER

Audited financial statements of the Issuer for the period from incorporation (November 7, 2017) to May 31, 2018

ORION NUTRACEUTICALS INC.

(formerly Cline Capital Corp.)

FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON NOVEMBER 7, 2017 TO MAY 31, 2018

Expressed in Canadian Dollars

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Directors of Orion Nutraceuticals Inc.:

We have audited the accompanying financial statements of Orion Nutraceuticals Inc. (formerly Cline Capital Corp.), which comprise the statements of financial position as at May 31, 2018, and the statements of comprehensive loss, changes in shareholders' equity and cash flows for the period from November 7, 2017 (inception) to May 31, 2018, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 auditor's 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 in our audit 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 Orion Nutraceuticals Inc. as at May 31, 2018, and its financial performance and its cash flows for the period from November 7, 2017 (inception) to May 31, 2018 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Orion Nutraceuticals Inc.'s ability to continue as a going concern.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
August 17, 2018

Orion Nutraceuticals Inc.

(formerly Cline Capital Corp.)
Statements of Financial Position
(Expressed in Canadian dollars)

	May 31, 2018 -$-
ASSETS	
Current assets	
Cash	353,817
	353,817
Investment (Note 3)	519,625
Acquisition Advance (Note 4)	400,000
TOTAL ASSETS	**1,273,442**
LIABILITIES AND SHAREHOLDERS' EQUITY	
Current liabilities	
Accounts payable (Note 5)	91,580
TOTAL LIABILITIES	**91,580**
SHAREHOLDERS' EQUITY	
Share capital (Note 6)	646,050
Subscriptions received in advance (Note 10)	739,000
Stock based compensation (Note 5)	2,585
Deficit	(205,773)
TOTAL SHAREHOLDERS' EQUITY	**1,181,862**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,273,442**

Nature of Operations and Going Concern (Note 1)
Subsequent Events (Notes 3, 4 and 10)

Approved by the Directors:

"Jonathan Fiteni" ***"Marcelin O'Neill"***

See accompanying notes to the financial statements

Orion Nutraceuticals Inc.

(formerly Cline Capital Corp.)
Statements of Comprehensive Loss
(Expressed in Canadian dollars)

	Period from incorporation on November 7, 2017 to May 31, 2018 $
EXPENSES	
Business development	15,000
Consulting fees (Note 6)	25,500
Management fees (Note 5)	117,585
Office administration	9,884
Professional fees	27,962
Regulatory and transfer agent fees	6,876
Shareholders communications	2,913
Travel	53
	205,773
Loss and comprehensive loss for the period	**(205,773)**
Basic and diluted loss per share	**$ (0.02)**
Weighted average number of common shares outstanding	**11,373,385**

See accompanying notes to the financial statements

Orion Nutraceuticals Inc.

(formerly Cline Capital Corp.)
Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Share capital					
	Number of shares	Amount	Subscriptions received in advance	Stock based compensation	Deficit	Total
Balance at November 7, 2017	**-**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Shares issued for cash (Note 6)	25,284,000	621,050	-	-	-	621,050
Shares issued for services (Note 6)	500,000	25,000	-	-	-	25,000
Subscriptions received in advance (Note 10)	-	-	739,000	-	-	739,000
Stock based compensation (Note 5)	-	-	-	2,585	-	2,585
Net and comprehensive loss for the period	-	-	-	-	(205,773)	(205,773)
Balance at May 31, 2018	**25,784,000**	**$ 646,050**	**$ 739,000**	**$ 2,585**	**$ (205,773)**	**$ 1,181,862**

See accompanying notes to the financial statements

Orion Nutraceuticals Inc.

(formerly Cline Capital Corp.)
Statements of Cash Flows
(Expressed in Canadian dollars)

	Period from incorporation on November 7, 2017 to May 31, 2018 -$-
OPERATING ACTIVITIES	
Net loss for the period	(205,773)
Adjustments for non-cash items:	
Shares issued for services	25,000
Stock based compensation	2,585
Net change in non-cash working capital accounts:	
Accounts payable	91,579
NET CASH FLOWS USED IN OPERATING ACTIVITIES	**(86,608)**
FINANCING ACTIVITIES	
Proceeds from issuance of stock	621,050
Proceeds from subscriptions received in advance	739,000
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	**1,360,050**
INVESTING ACTIVITIES	
Investment	(519,625)
Acquisition advance	(400,000)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	**(919,625)**
Increase in cash in the period	353,817
Cash, beginning	-
CASH, ENDING	**353,817**

See accompanying notes to the financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Orion Nutraceuticals Inc (formerly Cline Capital Corp. (the "Company") was incorporated under the Business Corporations Act of British Columbia. on November 7, 2017. The Company's head office and principle place of business is located at Suite 300, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9. The Company's business has been the acquisition of, or investment in, subsidiaries in global markets to grow cannabis and extract cannabis oil that will be used as an ingredient in proprietary health and beauty products and distributed in bulk to other manufacturers.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning they will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. At May 31, 2018, the Company had a working capital of $262,237. The Company's ability to meet its obligations and maintain its current operations is contingent upon successful completion of additional financing arrangements, continued cooperation of creditors and related parties, and ultimately upon generating profitable operations. These material uncertainties may cast significant doubt upon the entity's ability to continue as a going concern.

The Company will depend almost exclusively on equity financing. Such equity financings will include the issuance of equity shares. There can be no assurance that equity financings will be available to meet the Company's continuing operating costs or, if the equity is available, that it will be on terms acceptable to the Company. The issuances of additional equity securities by the Company may result in significant dilution to the equity interests of its current shareholders. Obtaining commercial loans, assuming those loans would be available, will increase the Company's liabilities and future cash commitments. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the business and future success may be adversely affected, thus giving rise to doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments relating to the recoverability and reclassification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION

Statement of compliance with International Financial Reporting Standards

The financial statements of the Company comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of preparation

These financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars which is the Company's functional currency.

Significant estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. The preparation of the financial statements also requires management to exercise judgement in the process of applying the accounting policies.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Significant estimates and assumptions (cont'd)

On an on-going basis, management evaluates its estimates and assumptions in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances, as the basis for its estimates and assumptions. Revisions to accounting estimates are recognized prospectively from the period in which the estimates are revised. Actual outcomes may differ from those estimates under different assumptions and conditions.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include stock-based awards and payments, the recoverability of the carrying value of deferred acquisition costs, fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

Impairment of assets

Impairment tests of intangible assets with indefinite useful economic lives are undertaken annually at the financial year-end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs and for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount; however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Financial instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale and other financial liabilities. The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Financial instruments (cont'd)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortized cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. These are included in current assets. Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses.

Non-derivative financial liabilities are subsequently measured at amortized cost.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase the asset.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial asset has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether impairment has arisen.

Loss per share

Basic loss per share is computed by dividing the net income or loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings/loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted. If the calculation results in an anti-dilutive effect then only basic income or loss per share is presented.

Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it arises in a business combination, or from items recognized directly in equity or other comprehensive loss/income.

Current income tax assets and liabilities for the current period 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, at the reporting date, in the countries where the Company operates and generates taxable income. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Income taxes (cont'd)

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax is provided using the asset and liability method of temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is credited to the share-based payment reserve. The fair value of options is determined using the Black-Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted, shall be based on the number of equity instruments that eventually vest.

Investments

The Company's investment in associates is accounted for using the equity method. An associate is an entity in which the Company has significant influence. Under the equity method, the investment in the associate is recognized initially at cost. The Company's share of the results of operations of the associate is recognized through an increase or reduction in the carrying value of the investment and through profit or loss. Distributions from the associate are recognized as a reduction in the carrying value of the investment.

When the Company's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

At each reporting date, the Company assesses whether there is any objective evidence that the investments in the associates are impaired. If such evidence exists, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Investment (cont'd)

Other investments are initially recorded at cost, being the fair value at the time of acquisition. At the end of each financial reporting period, the Company's management evaluates potential impairment of investments based on the criteria below and records such impairment in the financial statements directly in net loss:

- There has been a significant new equity financing with arms-length investors at a valuation above or below the current fair value of the investee company, in which case the fair value of the investment is adjusted to the value at which the financing took place; or
- Based on financial information received from the investee company it is apparent to the Company that the investee company is unlikely to be able to continue as a going concern, in which case the fair value of the investment is adjusted downward; or
- There have been significant corporate, operating, technological or economic events affecting the investee company that, in the Company's opinion, have a positive or negative impact on the investee company's prospects and, therefore, its fair value; or
- The investee company is placed into receivership or bankruptcy.

In addition to the circumstances described above, the Company will take into account general market conditions when determining if an adjustment to the fair value of an investment is warranted at the end of each reporting period. Absent the occurrence of any of these events, or any significant change in general market conditions, the fair value of the investment is left unchanged.

Application of the valuation techniques described above may involve uncertainties and determinations based on the Company's judgment, and any value estimated from these techniques may not be realized

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability. The Company's common shares and share warrants are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds. Proceeds received on the issuance of units, consisting of common shares and warrants are allocated to share capital.

New or revised accounting standards

IFRS 16 – Lease (effective for annual periods beginning on or after January 1, 2019).

The Company anticipates that the application of the above new and revised standard, amendment and interpretation will have no material impact on its results and financial position.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

3. INVESTMENT

On April 27, 2018, the Company entered into a loan agreement with FCM Global S.A.S ("FCM") where the Company lent US$200,000 to FCM. The outstanding balance of the loan will be considered as cash consideration when the share purchase agreement with FCM is completed.

On May 26, 2018, the Company signed an agreement with FCM and certain other non-related parties giving the Company the option to acquire an initial 25% stake (30,167 shares) in FCM Global S.A.S ("FCM") with a further 10% to be earned upon the Company's listing and an additional 14% in 2020. The initial 25% is being acquired for USD$7,500,000 in staged payments until November 2018 as follows:

a) No later than May 31, 2018, the Company will convert the amount outstanding under the loan agreement, comprised of USD$200,000 in exchange for 804 FCM shares (paid);
b) In May 2018, US$200,000 in exchange for 804 FCM shares (paid);
c) In June 2018, US$200,000 in exchange for 804 FCM shares (paid subsequently);
d) In June 2018, US$200,000 in exchange for 804 FCM shares (paid subsequently);
e) In July 2018, US$250,000 in exchange for 1,006 FCM shares (paid subsequently);
f) In July 2018, US$250,000 in exchange for 1,006 FCM shares;
g) In August 2018, US$200,000 in exchange for 804 FCM shares;
h) In September, October, or November 2018, USD$1,000,000 in the Company's common shares in exchange for 4,022 FCM shares;
i) US$1,000,000 in cash and/or in the Company's common shares each valued at CAD$1.00, in exchange for 4,022 FCM shares;
j) Upon completion of all agreements and in June, July, and August 2018, US$1,500,000 in cash or three equal installments of 763,000 common shares in the Company each valued at CAD$0.85 per share (1,526,000 common shares issued subsequent to the year end), in exchange for 6,033 FCM shares; and
k) In September, October, and November 2018, US$2,500,000 in cash or three equal installments of 1,080,000 common shares in the Company each valued at CAD$1.00, in exchange for 10,058 FCM shares.

Upon listing of the Company's shares, the Company can acquire 10% of FCM (18,564 FCM shares) by paying US$3,000,000 cash or issuing 3,900,000 common shares valued at CAD$1.00 per share within 3 business days of accepting the offer to acquire the 10%.

FCM operates in the cannabis sector in Colombia. As at May 31, 2018, the Company has paid $519,625 (US$400,000) towards the acquisition and has received 1,608 FCM common shares. Subsequent to May 31, 2018, the Company issued 1,526,000 common shares to acquire 4,022 FCM shares (Note 10).

4. ACQUISITION

On May 31, 2018 the Company signed an agreement, that closed in June of 2018, to acquire MedicOasis Inc. ("MedicOasis") from Canna Technology Inc. ("Canna Technology"). MedicOasis has submitted an application to become a licensed producer and sell medical marijuana under Health Canada's Access to Cannabis for Medical Purposes Regulations. The business operates in Quebec. The total purchase price is $3,150,000. The Company paid the shareholders of MedicOasis $400,000 in cash and is obligated to issue shares for the balance of the purchase price of $2,750,000. Subsequent to May 31, 2018, the Company issued 800,000 shares to acquire 99% of the shares of MedicOasis (Note 10). Upon closing of the agreement, the Company is required to issue further shares of the Company worth $1,950,000 to acquire the remaining 1% of MedicOasis.

(Expressed in Canadian dollars)

5. RELATED PARTY TRANSACTIONS AND BALANCES

The Company defines key management as directors and officers of the Company.

During the period from incorporation to May 31, 2018, the Company paid the following consulting and management fees to key management.

	Period ended May 31, 2018
CCO and related Company	$ 70,000
CFO and related Company	15,000
CEO, including fee payable with 200,000 common shares	32,585
	$ 117,585

At May 31, 2018, the Company owes $69,371 directly or to companies controlled by key management personnel. These amounts are included in accounts payable.

The Company has management and consulting contracts with Jonathan Fiteni, a director and CEO, a company controlled by Marcelin O'Neill, a director and Chief Compliance Officer ("CCO"), and a company controlled by Christopher Cherry, CFO. These parties are paid a combined total of $27,500 per month and the contracts remain in force on a continuous basis but can be terminated by the Company with sixty days written notice. In considering of entering into the consulting agreement with its CEO, the Company is required to issue 200,000 common shares to the CEO over a 2 year period. During the period ended May 31, 2018 the Company recognized stock based compensation of $2,585 resulting from this grant.

6. SHARE CAPITAL AND RESERVES

Authorized: Unlimited common shares without par value

Issued and Outstanding:

On January 11, 2018, the Company issued 1,000,000 common shares at a price of $0.01 for proceeds of $10,000.

On January 11, 2018, the Company issued 4,126,000 common shares at a price of $0.025 for proceeds of $103,150.

On January 11, 2018, the Company issued 158,000 common shares at a price of $0.05 for proceeds of $7,900.

On February 19, 2018 the Company issued 500,000 shares for $25,000 of fees in finding an asset for the Company in the Company's efforts to list on the Canadian Securities Exchange. The amount is recorded as consulting fee in the statements of comprehensive loss.

On March 15, 2018, the Company issued 20,000,000 common shares at a price of $0.025 for proceeds of $500,000.

As at May 31, 2018, the Company did not have any warrants or stock options outstanding.

Stock based compensation reserve

The stock based compensation reserve records items recognized as stock based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital.

7. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to carry out exploration and evaluation activities and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company depends on external financing to fund its activities. The capital structure of the Company consists of common shares. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets or adjust the amount of cash.

The issuance of common shares requires approval of the Board of Directors. It is the Company's objective to safeguard its ability to continue as a going concern, so that it can continue to explore and develop its properties for the benefit of its stakeholders. The Company seeks to place its cash with reputable financial institutions. Accordingly, the Company believes that it is exposed to minimal credit risks at the current time. There are no externally imposed capital requirements.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(a) Fair values

The fair values of cash approximate their carrying values due to the short-term to maturities of these financial instruments.

(b) 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. The Company is not exposed to interest rate risk.

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash. The risk in cash is managed through the use of a major financial institution which has a high credit quality as determined by rating agencies. Credit risk is assessed as low.

(d) Foreign exchange rate risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company has no assets or liabilities denominated in foreign currencies; therefore, is not exposed to foreign exchange risk.

(Expressed in Canadian dollars)

9. INCOME TAXES

The actual income tax provision differs from the expected amounts calculated by applying the Canadian combined federal and provincial statutory corporate income tax rate to the Company's loss before income tax recovery. The components of these differences are as follows:

	Period ended May 31, 2018 - $-
Loss before income tax recovery	(205,773)
Corporate tax rate	26%
Income tax recovery at statutory tax rates	54,000
Decrease resulting from:	
Change in unrecognized deductible temporary differences	(54,000)
Income tax recovery	-

The significant components of the Company's deferred tax liabilities and offsetting tax assets are as follows:

	2018 - $ -
Deferred Tax Asset	
Non-capital losses carry forwards	54,000
Valuation allowance	(54,000)
	-

As at May 31, 2018, the Company has non-capital losses of $205,773 that expiry in 2038.

10. SUBSEQUENT EVENTS

On June 6, 2018, the Company completed a private placement and issued 4,000,000 common shares of the Company for proceeds of $100,000.

On June 8, 2018, the Company issued 800,000 shares to acquire 99% of the shares of MedicOasis (Note 4).

On June 12, 2018, the Company made a cash payment of US$200,000 to FCM.

On June 22 and July 31, 2018, the Company issued total 1,526,000 common shares to acquire 4,022 FCM shares (Note 3).

On June 27, 2018, the Company completed a private placement and issued 7,192,400 common shares of the Company for proceeds of $1,798,100 of which $739,000 had been received prior to May 31, 2018.

On July 30, 2018, the Company amended the payment schedules in the agreement with FCM. Total payments remained unchanged. Changes are as follows:

- Note 3f) is replaced with: In August 2018, US$200,000 in exchange for 804 FCM shares;
- Note 3g) is replaced with: In September 2018, US$150,000 in exchange for 603 FCM shares;
- A new payment is added: In October 2018, US$100,000 in exchange for 402 FCM shares.

10. SUBSEQUENT EVENTS (cont'd)

In July 2018, the Company entered into an 11 year commercial lease agreement in the City of Dorval, Province of Quebec, for the purpose of growing, manufacturing and distributing legal cannabis. The annual minimum rent is $142,596 for years 1 to 5 and $166,362 for years 6 to 11. Under the lease for the Dorval Property, the Issuer has a right of first offer on any adjacent space which becomes available for lease.

On August 15, 2018, the Company granted stock options to purchase up to 2,300,000 stock options at an exercise price $0.25 per share for a period of five years to certain directors, officers and consultants in accordance with the provisions of its stock option plan.

SCHEDULE "B"

MANAGEMENT DISCUSSION AND ANALYSIS OF THE ISSUER

Financial year ended May 31, 2018

ORION NUTRACEUTICALS INC.
MANAGEMENT DISCUSSION AND ANALYSIS
YEAR ENDED MAY 31, 2018

OVERVIEW

The following management discussion and analysis ("MDA") of the financial position of Orion Nutraceuticals Inc. ("the Company"), and results of operations prepared on August 17, 2018, should be read in conjunction with the audited financial statements for the year ended May 31, 2108. All amounts are stated in Canadian dollars unless otherwise indicated. These financial statements together with this MDA are intended to provide investors with a reasonable basis for assessing the financial performance of the Company.

The head office of the Company is located at 300 - 1055 West Hastings St., Vancouver, British Columbia, V6E 2E9; and the registered and records office of the Company is located at 309 - 1485 West 6th Avenue, Vancouver, British Columbia, Canada, V6H 4G1.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

Additional information related to the Company is available for view on SEDAR at www.sedar.com or by requesting further information from the Company's head office in Vancouver.

DESCRIPTION OF BUSINESS

The Company was incorporated under the Business Corporations Act (British Columbia) on November 7, 2017. The Company is in the process of completing its prospectus for the purposes of completing an IPO and trading on the CSE.

On January 11, 2018, the Company issued 1,000,000 common shares at a price of $0.01 for proceeds of $10,000.

On January 11, 2018, the Company issued 4,126,000 common shares at a price of $0.025 for proceeds of $103,150.

On January 11, 2018, the Company issued 158,000 common shares at a price of $0.05 for proceeds of $7,900.

On February 27, 2018 the Company issued 500,000 shares for $25,000 of finder's fees in finding an asset for the Company in the Company's efforts to list on the Canadian Securities Exchange.

On March 15, 2018, the Company issued 20,000,000 common shares at a price of $0.025 for proceeds of $500,000.

On June 6, 2018, the Company completed a private placement and issued 4,000,000 common shares of the Company for proceeds of $100,000.

On June 22, 2018 and July 31, 2018, the Company issued a companied 1,526,000 common shares to acquire 4,022 FCM shares.

On June 27, 2018, the Company completed a private placement and issued 7,192,400 common shares of the Company for proceeds of $1,798,100 of which $739,000 had been received prior to May 31, 2018.

In July 2018, the Company entered into an 11 year commercial lease agreement in the City of Dorval, Province of Quebec, for the purpose of growing, manufacturing and distributing legal cannabis. The minimum rent is $4.50 per square foot for years 1 to 5 and $5.25 per square foot for years 6 to 11. Additional rent is estimated at $3.18 for the year 2018. Under the lease for the Dorval Property, the Issuer has a right of first offer on any adjacent space which becomes available for lease.

On August 15, 2018, the Company granted stock options to purchase up to 2,300,000 stock options at an exercise price $0.25 per share for a period of five years to certain directors, officers and consultants in accordance with the provisions of its stock option plan.

The Issuer's business has been the acquisition of, or investment in, subsidiaries in global markets to grow cannabis and extract cannabis oil that will be used as an ingredient in proprietary health and beauty products and distributed in bulk to other manufacturers. The Issuer closed its purchase of MedicOasis on May 31, 2018 as its 99% owned subsidiary. Accordingly, some of the business discussion set forth below relates to the business of MedicOasis.

MedicOasis is a privately held, Québec company incorporated on December 19, 2013. As of the date of this Prospectus, MedicOasis is an applicant in the process of obtaining a Cultivation License pursuant to the ACMPR. MedicOasis has submitted a site change in respect of its Cultivation License application; however, MedicOasis is still required to submit its application in respect of the new site to be located at the Dorval Property (as defined herein), which would allow MedicOasis to produce medical marijuana at such 30,000 square foot facility (the "**Québec Facility**"), which is expected to be built out in 2019.

The Issuer has also made an investment into FCM Global S.A.S. ("**FCM Global**") which is a Colombian company with a medical cannabis production facility near Medellin, Colombia.

The Issuer's business is subject to certain risks, including but not restricted to risks related to: limited operating history and expected continued operating losses, the risk of the medical cannabis industry, completion of the Québec Facility build out, MedicOasis being granted a Cultivation License, regulatory risks, uninsurable risks, permits and licenses, competitive risks, dependence on key management, additional funding requirements, conflicts of interest, dilution, volatility of publicly traded securities, discretion in the use of funds, influence of third party shareholders and no history of dividends.

Purchase of MedicOasis

MedicOasis was incorporated under the QBCA under the name "MedicOasis Inc." on December 19, 2013. The business address of MedicOasis is 101-1666 Rue Thierry Lasalle, Québec H8N 2K4.

On May 31, 2018, the Issuer entered into the Purchase and Sale Agreement with MedicOasis, Yu Zhi Wang, Antonio Bramante and Canna Technology, to carry out the purchase of all of the issued and outstanding MedicOasis Shares.

In connection with the Purchase and Sale, the Issuer will purchase from Yu Zhi Wang, a total of 1,000 MedicOasis Shares being all of the issued and outstanding MedicOasis Shares, as follows:

1. The Issuer has acquired 990 MedicOasis Shares by:

    (a) payment of $400,000 cash to Yu Zhi Wang within five days of the date of the Purchase and Sale Agreement;

    (b) issued 800,000 Common Shares to Canna Technology (or affiliates) at a deemed price of $1.00 per Common Share within five days of the date of the Purchase and Sale Agreement;

    all of which was completed as part of the first closing of the Purchase and Sale ("Tranche 1"). The Issuer presently owns 99% of the issued and outstanding MedicOasis Shares.

2. The Issuer will to acquire the remaining 10 MedicOasis Shares by issuing to Canna Technology (or affiliates):

    (a) upon MedicOasis being granted building permits to start construction from the City of Dorval, $650,000 worth of Common Shares at a deemed price of $1.00 per Common Share;

    (b) upon MedicOasis receiving approval from Health Canada for the ready to build stage, $650,000 worth of Common Shares at the market price of the Common Shares at the time of issuance (as traded on the CSE); and

(c) upon MedicOasis receiving approval from Health Canada for cultivation, $650,000 worth of Common Shares at the market price of the Common Shares at the time of issuance (as traded on the CSE),

all of which are to be completed as part of the second closing of the Purchase and Sale ("Tranche 2" and together with the completed Tranche 1, the "Closing")

FCM Global

FCM Global is headquartered in Medellin, Colombia and operates through its facility located in La Ceja, Antioquia, Columbia, a town approximately 40km southwest of Medellin. The La Ceja facility is located on property identified by land registry number 017-17016 and was secured by FCM Global pursuant to a lease agreement between FCM Global as lessee and Carlos Andres Velasquez Agudelo as lessor dated June 1, 2017. FCM Global supplies pharmaceutical, nutritional, wellness, and cosmetic companies in legal markets worldwide with customized medical non-psychoactive cannabis extracts, oils, and isolates at commercial scale. FCM Global also collaborates with clients on research & development.

FCM Global is Colombia's first licensed producer and exporter of non-psychoactive medical cannabis extracts for medical and research purposes. FCM Global is permitted to cultivate in the following modalities: (1) the production of grain and seeds for planting; (2) the fabrication of derivatives; (3) for industrial purposes; and (4) for scientific purposes. However, pursuant to the terms of the FCM Cultivation License, FCM Global must carry on all cannabis activities in the La Ceja facility. Activities may be extended to other FCM Global properties and facilities if certain requirements are met.

On May 26, 2018, as amended July 30, 2018, the Issuer entered into the FCM Agreement to carry out the purchase of up to an aggregate interest of 49% of the issued and outstanding ordinary shares of FCM Global ("**FCM Shares**"), as follows:

3. to acquire 25% of the political and economic rights of FCM Global, the Issuer will pay USD $7,500,000 as follows:

   (a) no later than May 31, 2018, the Issuer will convert the amount outstanding under the Orion Credit Agreement, comprised of USD $200,000 capital and accrued but unpaid interest in exchange for 575 FCM Shares;

   (b) in May 2018, USD $200,000 in exchange for 804 FCM Shares;

   (c) in June 2018, USD $200,000 in exchange for 804 FCM Shares;

   (d) in June 2018, USD $200,000 in exchange for 804 FCM Shares;

   (e) in July 2018, USD $250,000 in exchange for 1,006 FCM Shares;

   (f) in August 2018, USD $200,000 in exchange for 804 FCM Shares;

   (g) in September 2018, USD $150,000 in exchange for 603 FCM Shares;

   (h) in October 2018, USD $100,000 in exchange for 402 FCM Shares;

   (i) in September, October, or November 2018, Common Shares having a value of USD $1,000,000 in exchange for 4,022 FCM Shares;

   (j) in cash and/or in Common Shares, each valued at CAN $1.00 per Common Share or market value if listed, and/or capitalizing any Bridge Loan Settlement, [up to a maximum of USD $1,000,000], in exchange for 4,022 FCM Shares;

(k) upon completion of all agreements and in June/July/August USD $1,500,000 in three equal payments of 763,000 Common Shares, each valued at CAN $0.85 per Common Share or market value if listed, or in cash, in exchange for 6,033 FCM Shares (for each payment);

(l) in September, October or November 2018, USD $2,500,000 in three equal payments of 1,080,000 Common Shares, each valued at CAN $1.00 per Common Share or market value if listed, or in cash, in exchange for 10,058 FCM Shares,

all of which are to be completed as part of multiple closings of the FCM Agreement;

4. upon listing of the Common Shares, the Issuer may:

(a) within 3 Business Days accept the offer to acquire an additional 10% of the political and economic rights of FCM Global; and

(b) provide USD $3,000,000 in cash or 3,900,000 Common Shares, each valued at CAN $1.00 per Common Share, in exchange for 18,564 FCM Shares,

all of which are to be completed as part of further closings of the FCM Agreement; and

5. the Issuer will have the option to acquire an additional 14% of the capital of FCM Global on a fully diluted basis (the "Additional Shares"), as follows:

(a) accept within 10 Business Days the option offer to make an additional capital contribution payment; and

(b) within 3 Business Days following the acceptance of the option offer, make payment for the Additional Shares, as follows:

(i) the price per share will be determined as the result of (i) multiplying the 2019 Normalized EBITDA by (A) 8.5 or (B) a market standard average EBITDA used for these kind of transactions; and (ii) dividing the result of item (i) above by the number of Additional Shares (the "Price per Additional Share"); and

(ii) the total amount to be paid by the Issuer for the issuance of the Additional Shares will be determined by multiplying the Price per Additional Share to the number of Additional Shares,

all of which are to be completed as part of the further closing of the FCM Agreement.

RESULTS OF OPERATIONS

From the period of incorporation on November 7, 2017 to May 31, 2018, the Company incurred a loss of $205,773. These costs included management fees of $117,585 charged by the CEO, CCO and CFO of the Company; professional fees of $27,962 accrued on legal and accounting fees in regards to the Company completing acquisitions as described above. The Company also incurred consulting fees of $25,500 relating to these acquisitions.

The Company has not paid any dividends on its common shares and has no present intention of paying dividends, as it anticipates that all available funds for the foreseeable future will be used to finance its business activities.

SUMMARY OF QUARTERLY FINANCIAL RESULTS

The following is a summary of selected financial information compiled from the quarterly interim unaudited financial statements for quarters ending May 31, 2018:

	Three months ended	
	May 31, 2018	*February 28, 2018*
	-$-	*-$-*
Total assets	1,273,442	75,153
Working capital (deficiency)	262,237	74,145
Shareholders' equity (deficiency)	1,181,862	74,145
Net income (loss) for the period	(133,868)	(71,905)
Income (loss) per share	(0.02)	(0.00)

Discussion

The Company does not have eight quarters of operations as it was incorporated on November 7, 2017.

LIQUIDITY AND CAPITAL RESOURCES

The Company has financed its operations to date through receipt of a loan from a shareholder, and from the issuance of common shares. The Company continues to seek capital through various means including the issuance of equity and/or debt.

Net cash used in operating activities for the period ended May 31, 2018, was $86,608. The Company has working capital at May 31, 2018 of $262,237 inclusive of cash of $353,817.

There can be no assurance of successfully completing future financings. The Company will need to raise further capital to continue operations and complete its IPO. Management is actively seeking such opportunities.

Stock options

The Company has no stock options outstanding at May 31, 2018 and the date of this report.

Warrants & Agent's Warrants

The Company has no warrants outstanding at May 31, 2018 and the date of this report.

RELATED PARTY TRANSACTIONS

The Company defines key management as directors and officers of the Company.

During the period from incorporation to May 31, 2018, the Company paid or accrued the following to key management.

Period ended May 31, 2018	
CCO and related Company	$ 70,000
CFO and related Company	15,000
CEO	32,585
	$ 117,585

At May 31, 2018, the Company owes $69,371 directly or to companies controlled by key management personnel.

The Company has management and consulting contracts with Jonathan Fiteni, a director and CEO, a company controlled by Marcelin O'Neill, a director and Chief Compliance Officer ("CCO"), and a company controlled by Christopher Cherry, CFO. These parties are paid or accrued a combined total of $27,500 per month and the contracts remain in force on a continuous basis but can be terminated by the Company with sixty days written notice.

FINANCIAL RISK MANAGEMENT

The Company is exposed to minimal financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Interest rate

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. The Company is not exposed to interest rate risk as it does not have any assets or liabilities that are affected by changes in interest rates.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash on hand to meet its financial obligations.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held in bank accounts. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to currency risk.

Capital Management

The Company's capital structure consists of cash and share capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to complete a Qualifying Transaction. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. In order to carry out the planned activities and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management since inception. The Company is not subject to externally imposed capital requirements.

Classification of financial instruments

Fair values

The fair values of cash and accounts payable approximate their carrying values due to the short-term to maturities of these financial instruments.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Cash is measured at fair value using level 1 input.

ADDITIONAL INFORMATION

Off-Balance Sheet Arrangements

As at May 31, 2018, and up to the current date, the Company had no off-balance sheet arrangements.

Legal proceedings

As at the current date management was not aware of any legal proceedings involving the Company.

Outstanding Share Data

As at May 31, 2018, the Company has the following outstanding securities:

1) Common shares: 25,784,000
2) Warrants: Nil
3) Stock options: Nil

As at the date of this report, the Company has the following outstanding securities:

1) Common shares: 39,302,400
2) Warrants: Nil
3) Stock options: 2,300,000 exercisable at $0.25 to August 15, 2023

Contingent liabilities

As at May 31, 2018 and up to the current date management was not aware of any outstanding contingent liabilities relating to the Company's activities.

Any forward-looking information in this MDA is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the company, and other factors.

CAPITAL DISCLOSURE

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company, in order to support the acquisition of a new business. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to acquire and sustain future development of a business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended May 31, 2018. The Company is not subject to externally imposed capital requirements.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The Company's financial statements and the other financial information included in this management report are the responsibility of the Company's management, and have been examined and approved by the Board of Directors. The financial statements were prepared by management in accordance with IFRS and include certain amounts based on management's best estimates using careful judgment. The selection of accounting principles and methods is management's responsibility.

Management recognizes its responsibility for conducting the Company's affairs in a manner to comply with the requirements of applicable laws and established financial standards and principles, and for maintaining proper standards of conduct in its activities. The Board of Directors supervises the financial statements and other financial information through its audit committee, which is comprised of a majority of non-management directors.

This committee's role is to examine the financial statements and recommend that the Board of Directors approve them, to examine the internal control and information protection systems and all other matters relating to the Company's accounting and finances. In order to do so, the audit committee meets annually with the external auditors, with or without the Company's management, to review their respective audit plans and discuss the results of their examination. This committee is responsible for recommending the appointment of the external auditors or the renewal of their engagement.

DIRECTORS

Certain directors of the Company are also directors, officers and/or shareholders of other companies. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required to act in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any directors in a conflict will disclose their interests and abstain from voting in such matters. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the time.

SCHEDULE "C"

FINANCIAL STATEMENTS OF MEDICOASIS

Audited financial statements for the fiscal years ended December 31, 2016 and 2017 the five month period ended May 31, 2018

MEDICOASIS INC.

FINANCIAL STATEMENTS

FOR THE FIVE MONTH PERIOD ENDED MAY 31, 2018

YEARS ENDED DECEMBER 31, 2017 AND DECEMBER 31, 2016

Expressed in Canadian Dollars

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the shareholders of MedicOasis Inc.:

We have audited the accompanying financial statements of MedicOasis Inc., which comprise the statements of financial positions as at May 31, 2018, December 31, 2017 and 2016, and the statements of comprehensive loss, changes in shareholders' equity and cash flows for the five month period ended May 31, 2018, and for the years ended December 2017 and 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.

Auditor's 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 auditor's 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 in our audits 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 positions of MedicOasis Inc. as at May 31, 2018, December 31, 2017 and 2016 and its financial performance and its cash flows for the five month period ended May 31, 2018, and years ended December 31, 2017 and 2016 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about the MedicOasis Inc.'s ability to continue as a going concern.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
August 17, 2018

MedicOasis Inc.

Statements of Financial Position
(Expressed in Canadian dollars)

	May 31, 2018	December 31, 2017	December 31, 2016
ASSETS			
License (Note 3)	$ 100	$ 100	$ 100
	$ 100	$ 100	$ 100
LIABILITIES AND SHAREHOLDERS' DEFICIENCY			
Current			
Due to shareholder (Note 4)	$ 258	$ 258	$ 171
Loan payable (Note 5)	150,000	150,000	150,000
	150,258	150,258	150,171
Shareholders' deficiency			
Share capital (Note 6)	100	100	100
Deficit	(150,258)	(150,258)	(150,171)
	(150,158)	(150,158)	(150,071)
	$ 100	$ 100	$ 100

Nature of Operations and Going Concern (Note 1)
Significant Event (Note 9)

Approved by the Directors:

"Jonathan Fiteni" ***"Robin Linden"***

See accompanying notes to the financial statements

MedicOasis Inc.

Statements of Comprehensive Loss
(Expressed in Canadian dollars)

	For the five month period ended	For the year ended	
	May 31,2018	December 31, 2017	December 31, 2016
EXPENSES			
Administration	$ -	$ 87	$ 86
Loss and comprehensive loss for the year	$ -	$ (87)	$ (86)
Basic and diluted loss per common share	$ -	$ (0.09)	$ (0.09)
Weighted average number of common shares outstanding	1,000	1,000	1,000

See accompanying notes to the financial statements

MedicOasis Inc.

Statements of Changes in Shareholders' Deficiency
(Expressed in Canadian dollars)

	Share capital			
	Number of shares	Amount	Deficit	Total
Balance at December 31, 2015	**1,000**	**$ 100**	**$ (150,085)**	**$ (149,985)**
Net and comprehensive loss for the year	-	-	(86)	(86)
Balance at December 31, 2016	**1,000**	**100**	**$ (150,171)**	**$ (150,071)**
Net and comprehensive loss for the period	-	-	(87)	(87)
Balance at December 31, 2017 and May 31, 2018	**1,000**	**$ 100**	**$ (150,258)**	**$ (150,158)**

See accompanying notes to the financial statements

MedicOasis Inc.

Statements of Cash Flows
(Expressed in Canadian dollars)

	For the five month period ended	For the year ended	
	May 31, 2017	December 31, 2017	December 31, 2016
CASH FLOWS USED IN OPERATING ACTIVITIES			
Loss for the year	$ -	$ (87)	$ (86)
Changes in non-cash working capital items:			
Due to shareholder	-	87	86
Net cash used in operating activities	-	-	-
Change in cash during the year	-	-	-
Cash, beginning of year / period	-	-	-
Cash, end of year / period	$ -	$ -	$ -

There were no non-cash transactions during the period ended May 31, 2018 or the years ended December 31, 2017 and 2016.

See accompanying notes to the financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

MedicOasis Inc (the "Company" or "MedicOasis") was incorporated under the Business Corporations Act of Quebec on December 19, 2013. The Company's head office and principle place of business is located at Suite 101, 1666 Rue Thierry Lasalle, Quebec, H8N 2K4. The Company's business has been an application submitted to Health Canada to become a Licensed Producer of medical marijuana.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning they will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. At May 31, 2018, the Company had a working capital deficiency of $150,258. The Company's ability to meet its obligations and maintain its current operations is contingent upon successful completion of additional financing arrangements, continued cooperation of creditors and related parties, and ultimately upon generating profitable operations. These material uncertainties may cast significant doubt upon the entity's ability to continue as a going concern.

The Company will depend almost exclusively on advances from Orion Nutraceuticals for financing. There can be no assurance that financings will be available to meet the Company's continuing operating costs. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the business and future success may be adversely affected, thus giving rise to doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments relating to the recoverability and reclassification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION

Statement of compliance with International Financial Reporting Standards

The financial statements of the Company comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of preparation

These financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars which is the Company's functional currency.

Significant estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. The preparation of the financial statements also requires management to exercise judgement in the process of applying the accounting policies.

On an on-going basis, management evaluates its estimates and assumptions in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances, as the basis for its estimates and assumptions. Revisions to accounting estimates are recognized prospectively from the period in which the estimates are revised. Actual outcomes may differ from those estimates under different assumptions and conditions.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Significant estimates and assumptions (cont'd)

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include stock-based awards and payments, the recoverability of the carrying value of deferred acquisition costs, fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

Impairment of assets

Impairment tests of intangible assets with indefinite useful economic lives are undertaken annually at the financial year-end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs and for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount; however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Financial instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale and other financial liabilities. The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Financial instruments (cont'd)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortized cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. These are included in current assets. Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses.

Non-derivative financial liabilities are subsequently measured at amortized cost.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase the asset.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial asset has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether impairment has arisen.

Loss per share

Basic loss per share is computed by dividing the net income or loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings/loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted. If the calculation results in an anti-dilutive effect then only basic income or loss per share is presented.

Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it arises in a business combination, or from items recognized directly in equity or other comprehensive loss/income.

Current income tax assets and liabilities for the current period 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, at the reporting date, in the countries where the Company operates and generates taxable income. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Income taxes (cont'd)

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax is provided using the asset and liability method of temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability. The Company's common shares and share warrants are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds. Proceeds received on the issuance of units, consisting of common shares and warrants are allocated to share capital.

New or revised accounting standards

IFRS 16 – Lease (effective for annual periods beginning on or after January 1, 2019).

The Company anticipates that the application of the above new and revised standards, amendments and interpretations will have no material impact on its results and financial position.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

3. LICENSE

In January 2014, the Company submitted an application to Health Canada to become a Licensed Producer of medical marijuana in relation to a separate property and facility. In March 2015, Health Canada confirmed to the Company that its application cleared the Intake and Initial Screening stage. In January 2018, the Company realized that its then site would not be suitable and advised Health Canada accordingly. In May 2018, Health Canada confirmed that the Company's application would retain its position in the review stage queue; however, the Company would need to submit for the new location, relevant municipal authorities' letters, floor plans, certificate of location, zoning, new security report and floor plans. The Company is currently in process of updating this report for Health Canada.

4. RELATED PARTY TRANSACTIONS AND BALANCES

The Company defines key management as directors and officers of the Company.

During the period ended May 31, 2018, and the years ended December 31, 2017 and 2016, the Company had no related party transactions.

As at May 31, 2018 and December 31, 2017, the Company owed $258 (December 31, 2016 - $171) to a shareholder of the Company.

5. LOAN PAYABLE

The Company owes $150,000 to a third party. The loan is non-interest bearing and without specific terms of repayment. Subsequent to May 31, 2018, the loan was repaid with the issuance as part of the acquisition by Orion Nutraceuticals Inc. (See Note 9).

6. SHARE CAPITAL AND RESERVES

Authorized: Unlimited common shares without par value

Issued and Outstanding:

As at May 31, 2018, December 31, 2017 and 2016, the Company had 1,000 common shares outstanding.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(a) Fair values

The fair values of cash and due to shareholder approximate their carrying values due to the short-term to maturities of these financial instruments.

(b) 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. The Company is not exposed to interest rate risk.

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash. The risk in cash is managed through the use of a major financial institution which has a high credit quality as determined by rating agencies. Credit risk is assessed as low.

(d) Foreign exchange rate risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company has no assets or liabilities denominated in foreign currencies; therefore, is not exposed to foreign exchange risk.

8. INCOME TAXES

The actual income tax provision differs from the expected amounts calculated by applying the Canadian combined federal and provincial statutory corporate income tax rate to the Company's loss before income tax recovery.

As at May 31, 2018 and December 31, 2017, the Company has non-capital losses of $258 that expiry to 2037.

9. SIGNIFICANT EVENT

On May 31, 2018 the shareholders of the Company signed an agreement closed in June of 2018, to sell t to Orion Nutraceuticals Inc. ("Orion"). The total purchase price is $3,150,000. Orion paid the shareholders of the Company $400,000 in cash and is obligated to issue shares for the balance of the purchase price of $2,750,000. Subsequent to May 31, 2018, Orion issued 800,000 shares issued to acquire 99% of the shares of the Company from the shareholders of the Company and to repay the loan payable. Upon closing of the agreement, Orion is required to issue further shares of Orion worth $1,950,000 to acquire the remaining 1% of the Company from the current shareholders of the Company.

SCHEDULE "D"

MANAGEMENT DISCUSSION AND ANALYSIS OF MEDICOASIS

Financial Year Ended December 31, 2017 and five month period ended May 31, 2018

OVERVIEW

The following management discussion and analysis ("MDA") of the financial position of MedicOasis Inc. ("the Company"), and results of operations prepared on August 17, 2018, should be read in conjunction with the audited financial statements for the five month period ended May 31, 2018, and year ended December 31, 2017. All amounts are stated in Canadian dollars unless otherwise indicated. These financial statements together with this MDA are intended to provide investors with a reasonable basis for assessing the financial performance of the Company.

The Company's head office and principal place of business is located at 716 Renaud, Dorval, Quebec.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

DESCRIPTION OF BUSINESS

MedicOasis Inc (the "Company" or "MedicOasis") was incorporated under the Business Corporations Act of Quebec on December 19, 2013. The Company's business has been an application submitted to Health Canada to become a Licensed Producer of medical marijuana.

In January 2014, the Company submitted an application to Health Canada to become a Licensed Producer of medical marijuana in relation to a separate property and facility. In March 2015, Health Canada confirmed to the Company that its application cleared the Intake and Initial Screening stage. In January 2018, the Company realized that its then site would not be suitable and advised Health Canada accordingly. In May 2018, Health Canada confirmed that the Company's application would retain its position in the review stage queue; however, the Company would need to submit for the new location, relevant municipal authorities' letters, floor plans, certificate of location, zoning, new security report and floor plans. The Company is currently in process of updating this report for the Health Canada.

In preparing the application, the Company was able to incur nominal costs as the shareholders were running parallel operations and those other operations absorbed the costs as the Company completed the license. Furthermore, the shareholders of the Company paid a nominal value for the initial common shares in exchange for executing the work required to complete the application. The costs associated to date with updating the application with Health Canada has also been minimal. Subsequent to May 31, 2018, the Company was sold (see below) and the purchasers of the Company have agreed to cover the costs associated with the work to complete the revised application.

On May 31, 2018 the shareholders of the Company signed an agreement, that closed in June of 2018, to sell MedicOasis to Orion Nutraceuticals Inc. ("Orion"). The Company has submitted an application to become a licensed producer and sell medical marijuana under Health Canada's Access to Cannabis for Medical Purposes Regulations. The business operates in Quebec. The total purchase price is $3,150,000. Orion paid the shareholders of the Company $400,000 in cash and is obligated to issue shares for the balance of the purchase price of $2,750,000. Subsequent to May 31, 2018, Orion issued 800,000 shares issued to acquire 99% of the shares of the Company from the shareholders of MedicOasis. Upon closing of the agreement, Orion is required to issue further shares of the Company worth $1,950,000 to acquire the remaining 1% of the Company from the current shareholders of MedicOasis.

RESULTS OF OPERATIONS

The Company has incurred minimal expenses for the period ended May 31, 2018 ($Nil), the year ended December 31, 2017 ($87) and the year ended December 31, 2016 ($86) as they await the application that was submitted to Health Canada in 2014. The Company is anticipating that costs will increase during the balance of fiscal 2018 as they update the application with Health Canada.

The Company has not paid any dividends on its common shares and has no present intention of paying dividends, as it anticipates that all available funds for the foreseeable future will be used to finance its business activities.

SUMMARY OF QUARTERLY FINANCIAL RESULTS

The following is a summary of selected financial information compiled from the quarterly interim unaudited financial statements for quarters ending May 31, 2018:

	Period ended			
	Two months ended May 31, 2018 -$-	*Three months ended March 31, 2018 -$-*	*Three months ended December 31, 2017 -$-*	*Three months ended September 30, 2017 -$-*
Total assets	100	100	100	100
Working capital (deficiency)	(150,258)	(150,258)	(150,258)	(150,171)
Shareholders' equity (deficiency)	(150,158)	(150,158)	(150,158)	(150,071)
Net income (loss) for the period	Nil	Nil	87	Nil
Income (loss) per share	(0.00)	(0.00)	(0.00)	(0.00)

	Period ended			
	Three months ended June 30, 2017 -$-	*Three months ended March 31, 2017 -$-*	*Three months ended December 31, 2016 -$-*	*Three months ended September 30, 2016 -$-*
Total assets	100	100	100	100
Working capital (deficiency)	(150,171)	(150,171)	(150,171)	(150,085)
Shareholders' equity (deficiency)	(150,071)	(150,071)	(150,071)	(149,985)
Net income (loss) for the period	Nil	Nil	86	Nil
Income (loss) per share	(0.00)	(0.00)	(0.00)	(0.00)

LIQUIDITY AND CAPITAL RESOURCES

The Company has financed its operations to date through receipt of a loan from a shareholder, and from the issuance of common shares. The Company continues to seek capital through various means including the issuance of equity and/or debt.

Net cash used in operating activities for the period ended May 31, 2018, was $Nil. The Company has working capital deficiency at May 31, 2018 of $150,258 (December 31, 2017 working capital deficiency of $150,258 and December 31, 2016 working capital deficiency of $150,171).

There can be no assurance of successfully completing future financings. The Company will need to raise further capital to continue operations and will depend on Orion Nutraceuticals Inc. to provide the required financing.

Stock options

The Company has no stock options outstanding at May 31, 2018 and the date of this report.

Warrants

The Company has no warrants outstanding at May 31, 2018 and the date of this report.

RELATED PARTY TRANSACTIONS

The Company defines key management as directors and officers of the Company.

During the period ended May 31, 2018, and the years ended December 31, 2017 and 2016, the Company had no related party transactions.

As at May 31, 2018 and December 31, 2017, the Company owed $258 (December 31, 2016 - $171) to a shareholder of the Company.

FINANCIAL RISK MANAGEMENT

The Company is exposed to minimal financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Interest rate

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. The Company is not exposed to interest rate risk as it does not have any assets or liabilities that are affected by changes in interest rates.
Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash on hand to meet its financial obligations.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held in bank accounts. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to currency risk.

Capital Management

The Company's capital structure consists of cash and share capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to complete a Qualifying Transaction. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. In order to carry out the planned activities and pay for administrative costs, the Company will spend its existing

working capital and raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management since inception. The Company is not subject to externally imposed capital requirements.

Classification of financial instruments

Fair values

The fair values of cash and accounts payable approximate their carrying values due to the short-term to maturities of these financial instruments.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Cash is measured at fair value using level 1 input.

ADDITIONAL INFORMATION

Off-Balance Sheet Arrangements

As at May 31, 2018, and up to the current date, the Company had no off-balance sheet arrangements.

Legal proceedings

As at the current date management was not aware of any legal proceedings involving the Company.

Outstanding Share Data

As at May 31, 2018 and the date of this report, the Company has the following outstanding securities:

1) Common shares: 1,000
2) Warrants: Nil
3) Stock options: Nil

Contingent liabilities

As at May 31, 2018 and up to the current date management was not aware of any outstanding contingent liabilities relating to the Company's activities.

Any forward-looking information in this MDA is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the company, and other factors.

CAPITAL DISCLOSURE

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company, in order to support the acquisition of a new business. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's

management to acquire and sustain future development of a business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended May 31, 2018. The Company is not subject to externally imposed capital requirements.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The Company's financial statements and the other financial information included in this management report are the responsibility of the Company's management, and have been examined and approved by the Board of Directors. The financial statements were prepared by management in accordance with IFRS and include certain amounts based on management's best estimates using careful judgment. The selection of accounting principles and methods is management's responsibility.

Management recognizes its responsibility for conducting the Company's affairs in a manner to comply with the requirements of applicable laws and established financial standards and principles, and for maintaining proper standards of conduct in its activities. The Board of Directors supervises the financial statements and other financial information through its audit committee, which is comprised of a majority of non-management directors.

This committee's role is to examine the financial statements and recommend that the Board of Directors approve them, to examine the internal control and information protection systems and all other matters relating to the Company's accounting and finances. In order to do so, the audit committee meets annually with the external auditors, with or without the Company's management, to review their respective audit plans and discuss the results of their examination. This committee is responsible for recommending the appointment of the external auditors or the renewal of their engagement.

DIRECTORS

Certain directors of the Company are also directors, officers and/or shareholders of other companies. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required to act in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any directors in a conflict will disclose their interests and abstain from voting in such matters. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the time.

SCHEDULE "E"

PRO FORMA FINANCIAL STATEMENTS
GIVING EFFECT TO THE PURCHASE AND SALE

As at May 31, 2018

ORION NUTRACEUTICALS INC.

PRO-FORMA
STATEMENT OF FINANCIAL POSITION
AS AT MAY 31, 2018
(In Canadian dollars)

PRO FORMA FINANCIAL STATEMENTS OF THE RESULTING ISSUER
ORION NEUTRACEUTICALS INC.
PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MAY 31, 2018
(Unaudited – prepared by management)

			PRO-FORMA ADJUSTMENTS				
	Orion Nutraceuticals Inc.	MedicOasis Inc.					Orion Nutraceuticals Inc. Pro-forma Consolidated
	As at May 31, 2018	As at May 31, 2018					As at May 31, 2018
	$	$	Note	$	Note	$	$
ASSETS							
Current assets							
Cash	353,817	-					353,817
	353,817	-					353,817
Other assets							
Investments	519,625	-					519,625
Acquisition Advance	400,000	-			2(a)	(400,000)	-
			2(a)	400,000			
			2(a)	162,500			
License	-	100		150,158			712,758
TOTAL ASSETS	**1,273,442**	**100**					**1,586,200**
LIABILITIES							
Accounts payable and accrued liabilities	91,580	150,258	2(b)	150,000			91,838
TOTAL LIABILITIES	91,580	150,258					91,838
SHAREHOLDERS' EQUITY							
					2(a)	162,500	
Share capital	646,050	100		100	2(b)	37,500	846,050
Subscriptions received in advance	739,000	-					739,000
Stock-based compensation	2,585						2,585
Deficit	(205,773)	(150,258)	2(b)	112,500		(150,258)	(93,273)
TOTAL SHAREHOLDERS' EQUITY	1,181,862	(150,158)					1,494,362
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,273,442**	**100**					**1,586,200**

PRO FORMA FINANCIAL STATEMENTS OF THE RESULTING ISSUER
ORION NUTRACEUTICALS INC.
NOTES TO PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MAY 31, 2018
(Unaudited – prepared by management)

1. BASIS OF PRESENTATION

The accompanying unaudited pro-forma consolidated statement of financial position of Orion Nutraceuticals Inc. (the "Company" or "Orion") has been prepared by management in accordance with International Financial Reporting Standards from information derived from the financial statements of the Company and the financial statements of MedicOasis Inc. ("Medic"), together with other information available to the Company. The unaudited pro-forma consolidated statement of financial position has been prepared for inclusion in the non-offering prospectus dated August 17, 2018, in conjunction with the acquisition of 99% of the issued and outstanding common shares of Medic (the "Transaction"). In the opinion of management, the pro-forma consolidated statement of financial position includes all adjustments necessary for fair presentation of the Transaction, as described below.

The unaudited pro-forma consolidated statement of financial position of the Company has been compiled from and includes the audited statement of financial position of the Company as at May 31, 2018 and the audited statement of financial position of Medic as at May 31, 2018. The unaudited pro-forma consolidated statement of financial position has been prepared as if the transactions described in Note 2 had occurred on May 31, 2018.

The unaudited pro-forma consolidated statement of financial position is not intended to reflect the financial position of the Company which would have actually resulted had the proposed transactions described in Note 2 and other pro-forma adjustments occurred as assumed. Further, this unaudited pro-forma consolidated statement of financial position is not necessarily indicative of the financial position that may be attained in the future. The unaudited pro-forma consolidated statement of financial position should be read in conjunction with the financial statements disclosed above.

2. PRO-FORMA ASSUMPTIONS

The unaudited pro-forma consolidated statement of financial position incorporates the following pro-forma assumptions

a) The Company has paid cash of $400,000 and issued 650,000 common shares with a fair value of $162,500 to acquire a 99% interest in Medic.

b) The Company also issued 150,000 common shares with a fair value of $37,500 to settle the outstanding amount of $150,000 owed to a third party for past services in connection with the license agreement.

3. CAPITAL STOCK

Capital Stock as at May 31, 2018 in the unaudited pro-forma consolidated statement of financial position is comprised of the following in each financing scenario:

	Share Capital	$	Subscriptions Received in Advance $
Share capital and contributed surplus of Orion	25,784,000	646,050	739,000
Shares issued on acquisition of Medic	650,000	162,500	-
Shares issued to settle debts on acquisition of Medic	150,000	37,500	-
	26,584,000	846,050	739,000

SCHEDULE "F"

THE ISSUER'S AUDIT COMMITTEE CHARTER

1. Overall Purpose / Objectives

The Audit Committee will assist the Board of Directors ("Board") in fulfilling its responsibilities. The Audit Committee will review the financial reporting process, the system of internal control and management of financial risks and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Issuer's business, operations and risks.

2. Authority

The Board authorizes the audit committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice, to set and pay the compensation for any advisors employed by the Audit Committee, to ensure the attendance of the Issuer's officers at meetings as appropriate and to communicate directly with the Issuer's s external auditors.

3. Organization

Membership:

The Audit Committee will be comprised of at least three members, and if the Issuer is a "venture issuer" under applicable securities laws, a majority of the members must not be executive officers, employees or control persons of the Issuer, unless otherwise exempted by applicable securities laws.

The chairman of the Audit Committee will be nominated by the Audit Committee from the members of the Audit Committee which are not officers or employees of the Issuer, or a company associated or affiliated with the Issuer, from time to time.

A quorum for any meeting will be two members.

The recording secretary of the Audit Committee will be the Issuer's Compliance Officer, or such person as nominated by the Chairman of the Audit Committee.

Attendance at Meetings:

The Audit Committee may invite such other persons (e.g. the Chief Executive Officer or Chief Financial Officer) to its meetings, as it deems appropriate.

Meetings shall be held not less than four times a year. Special meetings shall be convened as required.

External auditors may convene a meeting if they consider that it is necessary.

The proceedings of all meetings will be minuted.

4. Roles and Responsibilities

The Audit Committee will:

- Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

- Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.

- Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.

- Review any legal matters which could significantly impact the financial statements as reported on by the general counsel and meet with outside counsel whenever deemed appropriate.

- Review the annual and quarterly financial statements including Management's Discussion and Analysis and annual and interim earnings press releases prior to public dissemination, including any certification, report, opinion, or review rendered by the external auditors and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles.

- Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.

- Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.

- Review audit issues related to the Issuer's material associated and affiliated companies that may have a significant impact on the Issuer's equity investment.

- Meet with management and the external auditors to review the annual financial statements and the results of the audit.

- Review the interim financial statements and disclosures, and obtain explanations from management on whether:
  (a) actual financial results for the interim period varied significantly from budgeted or projected results;
  (b) generally accepted accounting principles have been consistently applied;
  (c) there are any actual or proposed changes in accounting or financial reporting practices;
  (d) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure; and
  (e) review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.

- Review the performance of the external auditors and approve in advance provision of services other than auditing. Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the company. The Board authorizes the Chairman of the Audit Committee to pre-approve any non-audit or additional audit work which the Chairman deems as necessary and to notify the other members of the Audit Committee of such non-audit or additional work.

- Make recommendations to the Board regarding the reappointment of the external auditors and the compensation to be paid to the external auditor.

- Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.

- Review and approve the Issuer's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Issuer.

- Establish a procedure for:
  (a) the confidential, anonymous submission by employees of the Issuer of concerns regarding questionable accounting or auditing matters; and
  (b) the receipt, retention and treatment of complaints received by the Issuer regarding accounting, internal accounting controls, or auditing matters.

- Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

- Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.

- Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.

- Perform other functions as requested by the full Board.

- If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist, and set the compensation to be paid to such special counsel or other experts.

- Review and recommend updates to the charter; receive approval of changes from the Board.

CERTIFICATE OF THE ISSUER

Date: August 17, 2018

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Issuer as required by the securities legislation of British Columbia.

"Jonathan Fiteni"
Jonathan Fiteni
Chief Executive Officer

"Christopher Cherry"
Christopher Cherry
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"Marcelin O'Neill"
Marcelin O'Neill
Director

"Robin Linden"
Robin Linden
Director

CERTIFICATE OF THE PROMOTER

Date: August 17, 2018

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Issuer as required by the securities legislation of British Columbia.

"Marcelin O'Neill"
Marcelin O'Neill
Director