

INNOCAN PHARMA CORPORATION
MARKETED PROSPECTUS OFFERING OF UNITS
AMENDED AND RESTATED TERM SHEET

The following is a summary of the basic terms and conditions of a proposed offering of units by Innocan Pharma Corporation. A final short form prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada, except Québec. A copy of the final short form prospectus, and any amendment, is required to be delivered with this document.

Copies of the final short form prospectus may be obtained from Mackie Research Capital Corporation (ecm@mackieresearch.com).

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final short form prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

The securities described in this document have not been and will not be registered under the United States Securities Act of 1933, as amended ("U.S. Securities Act") or any state securities laws. Accordingly, the securities may not be offered or sold in the United States (as such term is defined in Regulation S under the U.S. Securities Act) or to, or for the account or benefit of, a U.S. person (as such term is defined in Regulation S under the U.S. Securities Act) except pursuant to transactions exempt from registration under the U.S. Securities Act and under the securities laws of any applicable state. This document does not constitute an offer to sell or a solicitation of an offer to buy any of these securities in the United States.

- Issuer:** Innocan Pharma Corporation ("Innocan" or the "Company").
- Offering:** Best-efforts, short form prospectus offering (the "Offering") of units of the Company (the "Units").
- Amount:** Minimum of \$2,500,000 and up to \$10,000,000.
- Pricing:** \$0.18 per Unit (the "Offering Price").
- Units:** Each Unit shall be comprised of one common share of the Company (a "Common Share") and one common share purchase warrant of the Company (a "Warrant").
- Warrants:** Each Warrant shall entitle the holder to acquire one Common Share (a "Warrant Share") at an exercise price of \$0.25 per Warrant Share for a period of 36 months from the Closing Date (as defined herein).
- Commencing on the date that is 12 months following the Closing Date (as defined herein), if the daily volume weighted average trading price of the Common Shares on the Canadian Securities Exchange for any period of 20 consecutive trading days equals or exceeds \$0.50, the Company may, upon providing written notice to the holders of the Warrants (the "Acceleration Notice"), accelerate the expiry date of the Warrants to the date that is 30 days following the date of the Acceleration Notice.
- Over-Allotment Option:** The Agents have been granted an option (the "Over-Allotment Option") to increase the size of the Offering by up to an additional 15% of the Units sold under the Offering, to cover any over-allotments, exercisable in whole or part within 30 days from and including the date of the closing of the Offering. The Agents can elect to exercise the Over-Allotment Option for Units only, Common Shares only, Warrants only, or a combination thereof.
- Offering Basis:** Units to be sold on a "best efforts" basis through the Agents by way of short form prospectus filed in each of the provinces of Canada except Québec and in other jurisdictions outside of Canada and the United States on an exempt basis in accordance with applicable securities laws.

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- Listing:** The Company will use commercially reasonable efforts to list the Common Shares and the Warrant Shares on the Canadian Securities Exchange, subject to the Company fulfilling all of the listing requirements of the Canadian Securities Exchange.
- Eligibility:** The Common Shares, Warrants and Warrant Shares shall be eligible for RRSPs, RRIFs, RDSPs, RESPs, TFSA's and DPSPs.
- Use of Proceeds:** The Company intends to use the net proceeds of the Offering for research and product development expenses, sales and marketing expenses, operating expenses and general and administrative expenses as well as for working capital and general corporate purposes.
- Commission:** 8.0% cash commission and 8.0% compensation options, excluding the president's list (4.0%, 3.0% and 2.5% cash commission and 4.0%, 3.0% and 2.5% compensation options respectively, for purchasers who are (a) residents outside of Israel, (b) residents of Israel and Europe and (c) existing security holders of the Company, respectively). Compensation options shall be exercisable to purchase that number of Units at the Offering Price of the Units. The Units underlying the compensation options shall have the same terms as the Units sold under the Offering.
- Agents:** Mackie Research Capital Corporation shall act as sole bookrunner and co-lead agent together with Canaccord Genuity Corp. for a syndicate of agents (collectively, the "Agents").
- Closing:** The week of June 8, 2020 (the "Closing" or the "Closing Date").