

## **Canadian Companies with U.S. Marijuana-Related Assets**

On February 8, 2018, the Canadian Securities Administrators published Staff Notice 51-352 (Revised) *Issuers with U.S. Marijuana-Related Activities* (the “Staff Notice”), which provides specific disclosure expectations for issuers that currently have, or are in the process of developing, cannabis-related activities in the US as permitted within a particular state’s regulatory framework. All issuers with US cannabis-related activities are expected to clearly and prominently disclose certain prescribed information in required disclosure documents.

Such disclosure includes, but is not limited to: (i) a description of the nature of a reporting issuer’s involvement in the US marijuana industry; (ii) disclosure that marijuana is illegal under US federal law and that enforcement of relevant laws is a significant risk; (iii) related risks including, among others, the risk that third-party service providers could suspend or withdraw services and the risk that regulatory bodies could impose certain restrictions on the issuer’s ability to operate in the US; and (iv) a discussion of the reporting issuer’s ability to access public and private capital, including which financing options are and are not available to support continuing operations. Additional disclosures are required to the extent a reporting issuer is deemed to be directly or indirectly engaged in the US marijuana industry, or deemed to have “ancillary industry involvement”, all as further described in the Staff Notice. Public reaction to the notice was generally positive and industry participants welcomed the opportunity to review and provide enhanced disclosure.

At this time, the Company’s involvement in the US cannabis industry is limited and its industry involvement of cannabis activities is “Indirect” through investments in entities operating in the US cannabis industry (the “Investees”). In addition, the Company does not operate, nor control any subsidiary that is directly engaged in the cultivation or distribution of marijuana in accordance with a US state license. As a result of the Investees having cannabis operations in the US (as described below), the Company is subject to the requirements of the Staff Notice and accordingly provides the following disclosures:

### *Compliance with Applicable State Laws in the US*

The Company has not obtained legal advice regarding compliance with applicable state regulatory frameworks and exposure and implication arising from US federal laws in the states where its Investees conduct operations. For each of the Investees involved in the US cannabis industry listed in the below summary of investments, to the best of the Company’s knowledge, the Company is not aware of any non-compliance with applicable licensing requirements and the regulatory framework enacted by the applicable US state for any of such Investees’ business and the Company is not aware of: (i) any non-compliance by these Investees with respect to marijuana-related activities, or (ii) any notices of violation with respect to any Investees’ marijuana-related activities by its respective regulatory authorities.

### *Nature of Investments with US Cannabis-Related Activities*

#### Aura Health Inc. (Arizona, Florida, Nevada)

In December 2017, Quinsam subscribed for 300 units of convertible debentures of Aura Health Inc. (“Aura”) for \$300,000 through a non-brokered private placement, which bear interest at 12% per annum and mature 24 months from closing. At Quinsam’s option, the debentures are convertible into units at \$0.3675, equal to 75% of the liquidity event price. Each unit is comprised of one common share and 1/2 warrant exercisable until 12 months from its reverse takeover (“RTO”) transaction listing on the CSE, which took place on August 16, 2018. During the period, Quinsam also subscribed for 150,000 units for \$73,500 through a non-brokered private placement, and acquired an additional 150,000 shares through an arm’s length share exchange agreement. Each private placement unit is comprised of one common share and one warrant exercisable at \$0.75 for 24 months from closing. Aura invests in entities that acquire and develop medical marijuana certification clinics in the US, and it operates four Medical Marijuana Patient Testing clinics in the States of Nevada, Arizona and Florida. Recently, it had entered into letters of intent to acquire two Israeli assets, in an effort to build an international network of vertically-integrated cannabis assets.

#### Ballistic Capital Corp. (Oregon)

In August 2018, Quinsam subscribed for 3,900,000 shares of Ballistic Capital Corp. (“Ballistic”) for \$390,000 through a non-brokered private placement. The investment makes Quinsam a near-10-percent shareholder of this company. Ballistic is involved with the disposal of cannabis waste in California. Cannabis waste disposal is a relatively new business that has been created by the legalization of cannabis in the State.

#### Bertram Capital Finance Inc. d/b/a Cannabis One (Colorado)

In September 2018, Quinsam subscribed for 115,000 subscription receipts of Bertram Capital Finance Inc. d/b/a Cannabis One (“Cannabis One”) for \$341,550 through a non-brokered private placement. Each unit is comprised of one common share and 1/2 warrant exercisable at \$4.45 for 24 months from closing. Cannabis One is a US-based professional management corporation formed to service the fast-growing legal cannabis industry through real estate development and leaseback equipment financing, operating lines of credit, consultation, intellectual property and brand management within marijuana-legal US states.

#### C21 Investments Inc. (Oregon, Nevada)

In March 2018, Quinsam subscribed for 1,500 units of convertible debentures of C21 Investments Inc. (“C21”) for \$1,500,000 through a non-brokered private placement. The debentures had since been converted into common shares at a price of \$1, through a forced conversion upon C21’s listing on the CSE on June 18, 2018. Based in Vancouver, C21 cultivates, processes, and distributes quality cannabis and hemp-derived consumer products in the US, and has definitive agreements to acquire cannabis companies in Oregon and Nevada. C21’s current and announced operations comprise Silver State Relief in Nevada, Phantom Farms, Swell Companies and Eco Firma Farms in Oregon, and five dispensaries in the two states, including the Pure Green Dispensary in Portland. These brands produce and distribute a broad range of THC and CBD products from cannabis flowers, pre-rolls, cannabis oil and vaporizer cartridges. C21 had also been recently been granted the first licence issued by the State Service of Ukraine on Medicines and Drugs Control for the importation of high-quality raw CBD extracts and concentrates, to import finished CBD products, to conduct CBD processing, wholesale distribution of CBD and CBD finished products, and to re-export CBD concentrates and CBD processed products to Europe and internationally.

#### CannAmerica Brands Corp. (Colorado, Nevada, Maryland)

In July 2018, Quinsam subscribed for 1,650,000 shares of CannAmerica Brands Corp. (“CannAmerica”) for \$495,000 through a non-brokered private placement. CannAmerica is a US marine veteran founded and operated portfolio of cannabis brands with licensing agreements in the States of Colorado, Nevada and Maryland. The Company aims to maximize value of its brands by employing brand management teams, marketing and licensing the brands through various distribution channels, including dispensaries, wholesalers and distributors, in US and internationally. Its flagship edible gummy brand, CannAmerica, is sold across US dispensaries. It is also targeting acquisitions of other well established and/or new consumer cannabis brands with potential for growth and strong brand awareness in exchange for royalties on gross sales. CannAmerica’s common shares began trading on the CSE on October 15, 2018.

#### Captor Capital Corp. (California, Washington)

During Q3 2018, Quinsam received 2.6 Captor Capital Corp. (“Captor”) shares of in exchange for each I-5 Holdings Ltd. (“I-5”) share previously held, pursuant to Captor’s acquisition of I-5 per a merger agreement dated February 16, 2018. As a result, Quinsam received 975,000 common shares of Captor. Captor is a vertically-integrated cannabis company, which provides recreational and medical marijuana based products to consumers via its leading brands and dispensary locations. It owns and operates advanced growing facilities which produce consistent high quality contaminant free marijuana for its customers, as well as other high demand cannabis based goods for consumption. Captor currently has a number of revenue-generating cannabis investments including two wholly-owned branded MedMen dispensaries Santa Ana, California.

#### Empower Clinics Inc. (Oregon, Washington, Illinois)

In March 2018, Quinsam subscribed for 1,000,000 shares of Empower Clinics Inc. (“Empower”) for \$310,000 through a non-brokered private placement. In September 2018, the Company subscribed for \$250,000 of Empower unsecured convertible debentures which bear interest at 7% per annum, payable on maturity which is one year from closing. On maturity, the debentures will be automatically converted at \$0.18, into units consisting of one common share and one warrant exercisable at \$0.19 for a period of one year from the maturity date. Empower is an operator of medical cannabis clinics and developer of medical products in the US, focused on enabling individuals to improve and protect their health. It also provides treatment solutions through its physician-

staffed clinics that are focused on education, data, and efficacy. Empower's common shares began trading on the CSE on April 30, 2018.

#### Evio Inc. (California, Oregon, Washington, Florida, Massachusetts)

In January 2018, Quinsam subscribed for 450 units of convertible debentures of Evio Inc. ("Evio") for USD \$450,000 (CAD \$556,850) through a non-brokered private placement. Each unit is comprised of one common share and 1/2 warrant exercisable at USD \$0.60 for 18 months from closing. Evio is a provider of cannabis testing and scientific research for the regulated cannabis industry, where its EVIO Labs division operates coast-to-coast in the US and provides state-mandated ancillary services to ensure the safety and quality of cannabis supply. Evio is on track to have 18 facilities by the end of 2018, and it is under application to become a reporting issuer in Ontario.

#### FLRish, Inc. d/b/a Harborside (California)

In April 2018, Quinsam invested USD \$1.25 million (CAD \$1,607,750) in FLRish, Inc. d/b/a Harborside ("Harborside") as part of a USD \$6.5 million financing which also included participation from private equity firms such as Cresco Capital Partners and Murray Field & Co. Harborside operates two flagship cannabis dispensary stores in Oakland and San Jose, and a large cannabis cultivation facility in Salinas, California. Harborside is considered by many as a pioneer in the California cannabis market. On August 13, 2018, Harborside and Lineage Grow Company Ltd. ("Lineage") entered into a letter agreement pursuant to which Harborside will effect a RTO that will result in Lineage acquiring all of the issued and outstanding securities of Harborside on a debt-free basis in exchange for newly issued Lineage common shares valued at approximately \$200 million. The listing application is currently pending, and completion of the deal will be subject to due diligence, execution of a definitive agreement and all required approvals and consents from the CSE and Lineage shareholders.

#### Grown Rogue International Inc. (formerly Novicius Corp.) (Oregon)

In July 2018, Quinsam subscribed for 1,000,000 shares of Grown Rogue International Inc. ("Grown Rogue") for \$440,000 through a non-brokered private placement. Grown Rogue is a seed-to-experience cannabis brand operating in the Oregon recreational market. Grown Rogue's products are categorized according to user experiences, and its brand offers flower, pre-rolls and extracts including shatter, wax, oil and sugar. It operates from its two wholly-owned outdoor facilities and one 17,000 square feet indoor grow operation, utilizing organic farming practices and meeting Clean Green Certification standards. In November 2018, it was granted conditional approval by the CSE on the RTO transaction with Grown Rogue Unlimited, LLC.

#### Halo Labs Inc. (formerly Apogee Opportunities (USA) Inc.) (California, Oregon, Nevada)

In July 2018, Quinsam subscribed for 1,250,000 subscription receipts units of Halo Labs Inc. ("Halo") for \$500,000 through a non-brokered private placement. Each subscription receipt unit is comprised of one common share and one warrant exercisable at \$0.80 until December 31, 2020. Halo is a cannabis extraction company founded in Oregon that develops and manufactures cannabis oils and concentrates. It has expertise in all cannabis manufacturing processes, leveraging proprietary processes and products, and has produced over 2.5 million grams of oils and concentrates since inception. It is currently expanding its operations with new facilities in Nevada and California.

#### Herbiculture Inc. (Maryland)

In 2017, Quinsam signed an agreement to finance the start-up costs of Herbiculture Inc. ("Herbiculture"), in the form of a USD \$655,000 senior secured promissory note carrying interest at 10% on a 3-year term. On February 12, 2018, Herbiculture received a Processor License from the MMCC to commence dispensary operations. On receipt of the Processor License, Quinsam was granted a right equal to a 35% interest shares of Herbiculture's outstanding shares. As Quinsam is not in the business of operating, nor controlling any subsidiary that is directly engaged in the cultivation or distribution of marijuana in accordance with a US state license, the Company is currently looking for interested parties to take on the 35% interest in Herbiculture.

#### High Hampton Holdings Corp. (California)

In February 2018, Quinsam subscribed for 600,000 units of High Hampton Holdings Corp. ("High Hampton") for \$360,000 through a non-brokered private placement. Each unit is comprised of one common share and one warrant exercisable at \$0.90 for 24 months from closing. High Hampton is a cannabis investment company with operations in California, through its subsidiary, CoachellaGro Corp. ("CoachellaGro"). High Hampton is focused on

the development of its 254,000 sq. ft. greenhouse facility situated in Coachella. CoachellaGro has received a conditional use permit for development of a full-service production facility in order to serve third-party state licensed medicinal marijuana operators. The City of Coachella has regulations in place which set aside over 90 acres for the cultivation, production, extraction and transportation of cannabis within a legal framework.

High Street Capita Partners, LLC d/b/a Acreage Holdings (California, Oregon, Washington, Colorado, Arizona, Pennsylvania, Connecticut, Florida, Iowa, Illinois, New Jersey, New York, New Hampshire, Massachusetts and Maryland)

In May 2018, Quinsam subscribed for 160,000 Membership units of Acreage Holdings (“Acreage”) for USD \$992,000 (CAD \$1,275,315). Acreage is a vertically-integrated owner of cannabis licenses and assets in US states where either use of medical and recreational cannabis is legal. Acreage owns cultivation, processing and dispensary operations across 15 states and has one of the largest footprints of any cannabis company in the US. Acreage recently attracted attention in the news, as John Boehner, former Speaker of the House, and Bill Weld, former Massachusetts Governor, joined its board of advisors. In September 2018, Acreage entered into a definitive business combination agreement to complete its RTO with Applied Inventions Management Corp., whereas upon closing expected in November 2018, Brian Mulroney, former Prime Minister of Canada, will also be joining its board.

Lineage Grow Company Ltd. (California, Oregon)

In May 2017, Quinsam subscribed for 160 units of convertible debentures of Lineage for \$160,000 through a non-brokered private placement. Each debenture unit is comprised of (i) \$1,000 principal amount of 12% secured redeemable debentures; and (ii) 4,000 warrants exercisable at \$0.25 for 24 months after closing. In January 2018, Quinsam participated in a brokered private placement and subscribed for 400,000 units for \$100,000. Each unit is comprised of one common share and one warrant exercisable at \$0.25 for 24 months from closing. Lineage is focused on assembling licensed operators, either through direct acquisition or through joint ventures, with an aim towards a vertically-integrated cannabis business that leverages best-in-class cultivation, brands, distribution, and retail assets. Lineage is currently targeting legalized cannabis markets across multiple states in the US. On August 13, 2018, Harborside and Lineage entered into a letter agreement on its RTO (refer to discussions on Harborside for details). In September 2018, Lineage acquired two dispensaries in Portland and Eugene, Oregon.

Next Green Wave Holdings Inc. (formerly Crossgate Capital Corporation) (California)

In March 2018, Quinsam subscribed for 1,500,000 units of Crossgate Capital Corporation (“Crossgate”) for \$525,000 through a non-brokered private placement. Each unit is comprised of one common share and 1/2 warrant exercisable at \$0.60 for 18 months from closing. In August 2018, Crossgate changed its name to “Next Green Wave Holdings Inc.” (“Next Green Wave”). Next Green Wave is a vertically-integrated seed-to-consumer medicinal and recreational cannabis company operating in California. Its central operations are in Coalinga and it has been awarded permits for nursery, cultivation, extraction, and distribution. Next Green Wave has acquired over 15 acres of cannabis-zoned development land and has nearly completed the construction of its first facility.

Nutritional High International Inc. (Colorado, California, Oregon)

In March 2018, Quinsam subscribed for 750 units of convertible debentures of Nutritional High International Inc. (“Nutritional High”) for \$750,000 through a brokered private placement offering. Each debenture unit is comprised of (i) \$1,000 principal amount of 10% unsecured debentures which are convertible at a conversion rate of \$0.60; and (ii) 1,667 warrants exercisable at \$0.70 for a period of 36 months. Nutritional High develops, manufactures and distributes products under recognized brands in the cannabis products industry, with a specific focus on edibles and oil extracts for adult recreational use. It works exclusively through licensed facilities in jurisdictions where such activity is permitted and regulated by state law, and follows a vertically-integrated model with a strategy for acquisitions in extraction, production, and distribution sectors of the cannabis industry. Nutritional High’s flagship FLI™ edibles and extracts product lines are currently manufactured and marketed in California, Oregon and Colorado. Nutritional High plans to expand its operations into Nevada, Washington State and the Canadian markets in the near future.

Planet 13 Holdings Inc. (Nevada)

In April 2018, Quinsam subscribed for 1,250,000 units of Planet 13 Holdings Inc. (“Planet 13”) for \$1 million through a non-brokered private placement. Each unit is comprised of one common share and 1/2 warrant exercisable at \$1.40 for 24 months from closing. Planet 13 is based in Nevada, where it holds six active licenses with infrastructures in place to cultivate, produce and dispense cannabis and cannabis products. It currently sells

over 60 different strains of cannabis and has a database of over 14,000 customers. Planet 13's common shares commenced trading on the CSE on June 21, 2018.

#### Platinex Inc. (Oregon)

Quinsam also holds as a legacy investments 715,500 units of Platinex Inc. ("Platinex") and 1,045,000 warrants exercisable at \$0.15 expiring on November 15, 2019. Platinex is focused on developing various strategies to capitalize on the lucrative growth of the cannabis sector in Oregon, through letters of intent entered with a number of cannabis cultivators. At the same time, Platinex has been focusing its mining business efforts in assembling a very large property in the Shining Tree gold camp, which has received little modern exploration compared to other gold camps in the Abitibi greenstone Belt.

#### Xanthic Biopharma Limited (Oregon, Washington)

In January 2018, Quinsam subscribed for 2.4 million units of Xanthic Biopharma Limited ("Xanthic") for \$300,000 through a non-brokered private placement offering. Xanthic provides intellectual property to cannabis industry participants, which enable its strategic partners to produce non-combustible cannabis and cannabis-infused products. Its strategy is focused in US states where cannabis has been legalized for recreational or medical use, and it will partner with local licensed cannabis producers in each state in order to facilitate its roll-out and minimize capital needs. Its product offering includes cannabis-infused powder beverage mixes such as a fruit drink, a rescue drink, an energy drink, hot chocolate and a protein drink. Xanthic's common shares began trading on the CSE on April 19, 2018. In July 2018, Xanthic and Green Growth Brands Ltd. entered into an arm's length business combination agreement to combine by way of amalgamation, pending approval by the CSE.

#### Xtraction Services Inc. (Florida)

In April 2018, Quinsam subscribed for 400 units of convertible debentures of Xtraction Services Inc. ("Xtraction") for USD \$400,000 (CAD \$505,320) through a non-brokered private placement. Xtraction is a Florida-based company which provides equipment solutions for cannabis and hemp extraction, and is known for its best-in-class service and equipment amongst the top growing vape and consumable companies.

As at September 30, 2018, the Company held the following investments in the cannabis sector:

Investees	Investments relationship	Investments type	Jurisdiction	Industry involvement <sup>(1)</sup>	Cost	Fair value	Company's ownership %
					\$	\$	
48North Cannabis Corp. (formerly Delshen Therapeutics Corp.)	Publicly-listed	Shares & warrants	Canada	N/A	-	-	Under 10%
Acreage Holdings	Private	Shares	US (Various states) <sup>(2)</sup>	Indirect	1,275,315	1,284,144	Under 10%
Aldershot Resources Ltd.	Publicly-listed	Shares & warrants	Canada	N/A	50,000	290,000	Under 10%
Aleafia Health Inc.	Publicly-listed	Shares & warrants	Canada	N/A	175,000	311,000	Under 10%
Algae Dynamics Corp.	Publicly-listed	Shares & warrants	Canada	N/A	200,000	155,340	Under 10%
ALQ Gold Corporation	Private	Shares & warrants	Canada	N/A	405,000	1,100,000	Under 10%
Ancient Strains Limited	Private	Shares & warrants	Uruguay	N/A	400,000	400,000	Under 10%
Aura Health Inc.	Publicly-listed	Shares & convertible debentures	US (Arizona, Florida, Nevada)	Indirect	376,500	384,000	Under 10%
Auxly Cannabis Group Inc.	Publicly-listed	Shares	Canada, Uruguay	N/A	144,685	172,960	Under 10%
Ballistic Capital Corp.	Private	Shares	US (Oregon)	Indirect	390,000	390,000	Under 10%
Braingrid Corporation	Private	Shares	Canada	N/A	250,000	250,000	Under 10%
Brantford (2 <sup>nd</sup> Mortgage)	Private	Loans	Canada	N/A	1,200,000	1,200,000	Under 10%
C21 Investments Inc.	Publicly-listed	Shares & convertible debentures	US (Maine, Oregon, Nevada)	Indirect	672,818	1,102,749	Under 10%
Canada House Wellness Group Inc.	Publicly-listed	Shares, convertible debentures & warrants	Canada	N/A	150,000	701,054	Under 10%
Cannabis One	Private	Shares & warrants	US (Colorado)	Indirect	341,550	341,550	Under 10%
Cannabis OneFive Inc.	Private	Shares	Canada	N/A	150,000	150,000	Under 10%
Cannaverse Inc.	Private	Shares	Canada	N/A	150,000	150,000	Under 10%
CannAmerica Brands Corp.	Private	Shares	US (Colorado, Nevada, Maryland)	Indirect	495,000	495,000	Under 10%
Cannex Capital Group Inc.	Publicly-listed	Warrants	US (Washington)	Indirect	-	-	Under 10%
Captor Capital Corp.	Publicly-listed	Shares & warrants	Canada, US (California))	Indirect	150,000	136,500	Under 10%
City View Green	Private	Shares	Canada	N/A	250,000	4,750,001	17% <sup>(3)</sup>
Cultivator Catalyst Corp.	Private	Shares	Canada	N/A	300,000	400,000	Under 10%
Empower Clinics Inc.	Publicly-listed	Shares, convertible debentures & warrants	US (Oregon, Washington, Illinois)	Indirect	581,330	542,750	Under 10%
Eve & Co Inc.	Publicly-listed	Shares	Canada	N/A	198,374	376,650	Under 10%
Evergreen Reinsurance	Private	Shares	Canada	N/A	325,000	1,833,334	Under 10%
Evio Inc.	Publicly-listed	Convertible debentures & warrants	US (Colorado, California, Oregon, Florida, Maine)	Indirect	556,850	1,072,671	Under 10%
FLRish, Inc. (Harborside)	Private	Shares	US (California)	Indirect	1,607,750	1,607,750	Under 10%
Gefion Canada Inc.	Private	Shares	Canada	N/A	300,000	300,000	Under 10%
Georgian Bay Biomed Inc.	Private	Shares & warrants	Canada	N/A	300,000	475,500	Under 10%
Green Stripe Naturals Ltd.	Private	Shares & warrants	Jamaica	N/A	640,000	1,140,000	Under 10%
Greentec Holdings Ltd.	Publicly-listed	Shares & warrants	Canada	N/A	400,001	330,667	Under 10%
Green Tree International Inc.	Private	Convertible debentures	Canada	N/A	526,280	517,800	Under 10%
Grown Rogue International Inc.	Private	Shares	US (Oregon)	Indirect	440,000	440,000	Under 10%
Guelph (2 <sup>nd</sup> Mortgage)	Private	Loans	Canada	N/A	1,500,000	1,500,000	Under 10% <sup>(4)</sup>
Halo Labs Inc.	Private	Shares & warrants	US (Oregon, California, Nevada)	Indirect	500,000	500,000	Under 10%
Harvest One Cannabis Inc.	Publicly-listed	Shares, convertible debentures & warrants	Canada, Switzerland, Australia	N/A	343,252	152,766	Under 10%
Hemp Hydrate Int'l Holdings Inc.	Private	Shares & warrants	Canada	N/A	525,000	525,000	Under 10%

Herbiculture Inc.	Private	Loans	US (Maryland)	Indirect	831,480	831,480	Right to 35% interest <sup>(5)</sup>
High Hampton Holdings Corp.	Publicly-listed	Shares & warrants	US (California)	Indirect	361,462	324,000	Under 10%
Hystyle Brands Inc.	Private	Convertible debentures & warrants	Canada	N/A	100,000	100,000	Under 10%
I.M.C. Holdings Ltd.	Private	Shares & warrants	Israel	N/A	445,000	445,000	Under 10%
Icon Exploration Inc.	Publicly-listed	Shares & warrants	Canada	N/A	50,000	303,125	Under 10%
Indiva Ltd.	Publicly-listed	Shares & warrants	Canada	N/A	213,825	239,484	Under 10%
Khiron Life Sciences Corp.	Publicly-listed	Warrants	Colombia	N/A	-	455,000	Under 10%
King and Pegahmagabow Inc.	Private	Convertible debentures	Canada	N/A	1,000,000	1,000,000	Under 10%
Lineage Grow Company Ltd.	Publicly-listed	Shares, convertible debentures & warrants	US (California, Oregon)	Indirect	269,600	240,256	Under 10%
Med. Compassion Canni Farms Inc.	Private	Loans	Canada	N/A	500,000	500,000	Under 10%
Merrco Payments Inc.	Private	Shares	Canada	N/A	150,000	191,985	Under 10%
MVC Technologies Inc.	Private	Shares & warrants	Canada	N/A	440,000	440,000	Under 10%
Next Green Wave Holdings Inc.	Private	Shares & warrants	US (California)	Indirect	525,000	900,000	Under 10%
Nutritional High International Inc.	Publicly-listed	Convertible debentures & warrants	US (Colorado, California, Washington, Nevada, Oregon)	Indirect	750,000	750,000	Under 10%
Osoyoos Cannabis Inc.	Private	Shares, convertible debentures, warrants & loans	Canada	N/A	513,125	1,978,300	Under 10%
Phytopharma International Ltd.	Private	Convertible debentures	Israel	N/A	400,000	400,000	Under 10%
Platinex Inc.	Publicly-listed	Shares & warrants	US (Oregon)	Indirect	35,775	67,973	Under 10%
Planet 13 Holdings Inc.	Publicly-listed	Shares & warrants	US (Nevada)	Indirect	259,000	852,250	Under 10%
Plantext Ltd.	Private	Shares	Israel	N/A	317,988	562,267	Under 10%
Pure Global Cannabis Inc.	Publicly-listed	Convertible debentures & warrants	Canada	N/A	350,000	350,000	Under 10%
Rocky Mountain Marijuana Inc.	Publicly-listed	Shares	Canada	N/A	725,000	1,480,900	Under 10%
Seed Capital Corp.	Private	Shares & warrants	Canada	N/A	200,000	350,000	Under 10%
Segra International Corp.	Private	Shares & warrants	Canada	N/A	400,000	600,000	Under 10%
Sproutly Inc.	Publicly-listed	Shares	Canada	N/A	500,000	1,979,120	Under 10%
Theracann Int'l Benchmark Corp.	Private	Convertible debentures & warrants	Panama	N/A	300,000	300,000	Under 10%
Therma Bright Inc.	Publicly-listed	Convertible debentures & warrants	Canada	N/A	250,000	250,000	Under 10%
Westleaf Cannabis Inc.	Private	Shares & warrants	Canada	N/A	500,000	500,000	Under 10%
Xanthic Biopharma Limited	Publicly-listed	Shares & warrants	US (California, Washington)	Indirect	375,643	605,875	Under 10%
Xtraction Services	Private	Convertible debentures	US (Florida)	Indirect	505,320	505,320	Under 10%
					<b>27,537,923</b>	<b>42,981,521</b>	

- (1) Industry involvement refers to Quinsam's involvement in regard to the Investees with marijuana-related activities in the US. For greater clarity per the Staff Notice, Investees classified as "Indirect" in this column generally represents entities with a license to either cultivate and/or sell marijuana in the US, and for which Quinsam has an equity or "convertible-into-equity" stake in that particular investee.
- (2) Acreage manages a portfolio of investments in cultivation, processing and dispensary operations across 15 different states in the US as follows: California, Oregon, Washington, Colorado, Pennsylvania, Arizona, Connecticut, Florida, Illinois, Iowa, New Jersey, New York, New Hampshire, Massachusetts and Maryland.
- (3) On February 9, 2018, the Company closed a transaction with two companies to provide financing for a new ACMPR applicant. The Company advanced a \$1.2 million loan for a period of 12 months at an interest rate of 12%. The loan is secured by a second mortgage on a 40,000 sq. ft. building in Brantford, Ontario on a 4-acre site. The building was purchased for approximately \$3 million and Quinsam's mortgage will be subordinate to a first mortgage of approximately \$2 million. As incentive compensation for providing the mortgage

financing, the Company was awarded a 30% stake in City View Green, a company that has made an ACMPR license application incorporating use of the building. Quinsam's interest had since been diluted down to approximately 17.1% due to recent financings.

- (4) On June 6, 2018, the Company closed a transaction with MCCI and the Buildingco to provide financing for a late-stage ACMPR applicant. The Company advanced a \$1.5 million loan for a period of 12 months at an interest rate of 12%. The loan is secured by a mortgage on a 54,000 sq. ft. building in Guelph, Ontario on a 2.75-acre lot. Security also includes an assignment of leases, personal guarantees and general security agreements. The loan is subordinate to other indebtedness. If MCCI or the Licenseco proposes to issue any securities, Quinsam shall have a first right of refusal to purchase 15% of the offered securities before such securities are offered to other persons.
- (5) In Q4 2017, the Company signed an agreement with Herbiculture to finance the start-up costs of establishing a medical marijuana dispensary located in Maryland. The financing is structured as a USD \$655,000 senior secured promissory note bearing interest at 10% with a 3-year term. On February 12, 2018, Herbiculture received a marijuana processor license from the MMCC to commence dispensary operations. On Herbiculture's receipt of the processor license, Quinsam was granted a right to a 35% interest of Herbiculture's common shares. While Quinsam had provided the above-noted financing to fund the necessary costs to complete the establishment of Herbiculture's dispensary business, its industry involvement in Herbiculture is considered indirect. While Quinsam has a non-controlling investment in Herbiculture through the right to a 35% equity interest, Quinsam has not exercised this right in question, and does not expect to trigger it in the future. Besides the financing, Quinsam had not provided any goods or services to Herbiculture.



As at December 31, 2017, the Company held the following investments in the cannabis sector:

Investees	Investments relationship	Investments type	Jurisdiction	Industry involvement <sup>(1)</sup>	Cost	Fair value	Company's ownership %
					\$	\$	
Aura Health Corp.	Private	Convertible debentures	US (Arizona, Florida, Nevada)	Indirect	300,000	300,000	Under 10%
Canada House Wellness Group Inc.	Private	Shares, convertible debentures & Warrants	Canada	N/A	329,250	2,217,218	Under 10%
Delshen Therapeutics Corp.	Private	Shares & warrants	Canada	N/A	40,000	40,000	Under 10%
Georgian Bay Biomed	Private	Shares & warrants	Canada	N/A	300,000	300,000	Under 10%
Harvest One Cannabis Inc.	Publicly-listed	Convertible debentures	Canada, Switzerland, Australia	Indirect	350,000	510,300	Under 10%
Herbiculture Inc.	Private	Loans	US (Maryland)	indirect	645,435	645,435	Under 10%
Hiku Brands Company Ltd.	Private	Convertible debentures & warrants	Canada	N/A	300,000	638,352	Under 10%
I-5 Holdings Ltd.	Private	Shares & warrants	US (California, Oregon, Washington)	Indirect	150,000	150,000	Under 10%
Icon Exploration Inc.	Publicly-listed	Shares & warrants	Canada	N/A	50,000	253,125	Under 10%
Indiva Ltd.	Publicly-listed	Shares & warrants	Canada	N/A	322,575	618,324	Under 10%
Lineage Grow Company Ltd.	Private	Shares, convertible debentures & warrants	US (California, Oregon, Washington, Maryland)	Indirect	279,200	279,200	Under 10%
Osoyoos Cannabis Inc.	Private	Shares, convertible debentures, loans & warrants	Canada	N/A	513,125	513,125	Under 10%
Plantext Ltd.	Private	Shares	Israel	N/A	317,988	317,988	Under 10%
Quadron Cannatech Corp.	Publicly-listed	Shares	Canada	N/A	29,800	104,300	Under 10%
Rocky Mountain Marijuana Inc.	Private	Shares	Canada	N/A	250,000	250,000	Under 10%
Seed Capital Corp.	Private	Shares & warrants	Canada	N/A	200,000	350,000	Under 10%
Segra International Corp.	Private	Shares	Canada	N/A	100,000	100,000	Under 10%
Xanthic Biopharma Limited	Private	Shares	US (Oregon, Washington)	Indirect	300,000	300,000	Under 10%
					<b>4,777,373</b>	<b>7,887,367</b>	

(1) Industry involvement refers to Quinsam's involvement in regard to the Investees with marijuana-related activities in the US. For greater clarity per the Staff Notice, Investees classified as "Indirect" in this column generally represents entities with a license to either cultivate and/or sell marijuana in the US, and for which Quinsam has an equity or "convertible-into-equity" stake in that particular investee.

The Company's financial position for UScannabis-related activities is strictly comprised of its investments portfolio. The following is a summary of the Investees from the cannabis sector, including those having US cannabis-related activities, as at September 30, 2018 and December 31, 2017:

By type	All cannabis investments		Investees involved in US cannabis activities	
	Cost	Fair value	Cost	Fair value
	\$	\$	\$	\$
Equities	17,017,992	29,116,801	7,946,743	9,105,597
Warrants	390,000	2,082,480	-	413,617
Convertible debentures	5,860,951	7,038,259	2,522,170	3,023,574
Loans	4,268,980	4,743,980	831,480	831,480
<b>Total</b>	<b>27,537,923</b>	<b>42,981,520</b>	<b>11,300,393</b>	<b>13,374,268</b>

<b>By ownership percentage</b>	<b>All cannabis investments</b>		<b>Investees involved in US cannabis activities</b>	
	<b>Cost</b>	<b>Fair value</b>	<b>Cost</b>	<b>Fair value</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Under 10% ownership	26,456,443	37,400,039	10,468,913	12,542,788
Over 10% ownership	1,081,480	5,581,481	831,480	831,480
<b>Total</b>	<b>27,537,923</b>	<b>42,981,520</b>	<b>11,300,393</b>	<b>13,374,268</b>

December 31, 2017

<b>By type</b>	<b>All cannabis investments</b>		<b>Investees involved in US cannabis activities</b>	
	<b>Cost</b>	<b>Fair value</b>	<b>Cost</b>	<b>Fair value</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Equities	2,571,938	3,422,787	569,200	569,200
Warrants	-	1,048,906	-	-
Convertible debentures	1,560,000	2,770,239	460,000	460,000
Loans	645,435	645,435	645,435	645,435
<b>Total</b>	<b>4,777,373</b>	<b>7,887,367</b>	<b>1,674,635</b>	<b>1,674,635</b>

<b>By ownership percentage</b>	<b>All cannabis investments</b>		<b>Investees involved in US cannabis activities</b>	
	<b>Cost</b>	<b>Fair value</b>	<b>Cost</b>	<b>Fair value</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Under 10% ownership	4,777,373	7,887,367	1,674,635	1,674,635
Over 10% ownership	-	-	-	-
<b>Total</b>	<b>4,777,373</b>	<b>7,887,367</b>	<b>1,674,635</b>	<b>1,674,635</b>

The following is the summary of net investment revenues of the Investees from the cannabis sector, including those having US cannabis-related activities, for the nine months ended September 30, 2018:

By type	All cannabis investments		Investees involved in US cannabis activities	
	Net realized gains on disposals of investments	Net changes in unrealized gains on investments	Net realized gains on disposals of investments	Net changes in unrealized gains on investments
	\$	\$	\$	\$
Equities	2,249,214	11,121,931	1,115,018	1,118,308
Warrants	120,587	643,650	-	413,618
Convertible debentures	313,331	281,770	-	501,404
<b>Total</b>	<b>2,683,132</b>	<b>12,047,351</b>	<b>1,115,018</b>	<b>2,033,330</b>