



Cannabis Industry Focused · Real Estate Capital Solutions

Investor Presentation

December 2019

Private and Confidential Information
Not for Distribution

RealCanna – Readers’ Advisory

This corporate presentation dated October 2019 (the “Presentation”) has been prepared by management of RealCanna Investment Trust (the “Trust”) and is based on public information and the Trust’s confidential information. The information contained in these slides, this Presentation made to you verbally, and any other information provided to you in connection with the Trust & its business (the “Presentation Materials”) is confidential and proprietary to the Trust and is for information purposes only and is being made available on a confidential basis solely to enable prospective “accredited” and other qualified investors authorized by the Trust to evaluate the securities of the Trust (the “Securities”) with the express understanding that no person will release this Presentation or any other document provided herewith, discuss the information herein or make reproductions of the documents. This presentation does not constitute an offering of securities and is not, and under no circumstances is it to be construed as, a prospectus or advertisement or public offering of any securities. This presentation does not constitute or form part of any offer of sale or solicitation of any offer to buy or subscribe for any securities, nor shall it or any part of it form the basis of or be relied upon in connection with, or act as any inducement to enter into, any contract or commitment whatsoever. In making this presentation, the Trust does not undertake to provide interested parties with access to any additional information or to update or correct any information and the Presentation Materials are not intended to provide financial, tax, legal or accounting advice.

Certain of the information contained in this presentation concerning industry trends and performance is based upon or derived from information provided by third-party consultants, other industry sources and our research. The Trust believes such information is accurate and that the sources from which it has been obtained are reliable. However, the Trust cannot guarantee the accuracy of such information and has not independently verified the assumption upon which projections of future trends and performance are based.

THIS PRESENTATION DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF THE SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF SUCH JURISDICTION. ANY SECURITIES OF THE TRUST HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR ANY STATE SECURITIES LAWS AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, “U.S. PERSONS,” AS SUCH TERM IS DEFINED IN REGULATIONS UNDER THE U.S. SECURITIES ACT, UNLESS AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

No express or implied representation or warranty is made as to the accuracy or completeness of the information contained herein or made available in connection with any further investigation of the Trust. The Trust expressly disclaims any and all liability resulting from the use of the information contained herein or otherwise supplied or resulting from the failure to supply additional information. An investment in the securities should be considered highly speculative.

RealCanna – FOFI

The Presentation Materials include forward-looking information about without limitation, prospective results of operations, financial position and cash flows, based on assumptions about future economic conditions and courses of action and that is not presented in the format of a historical balance sheet, income statement or cash flow statement and other financial information contained on of these Presentation Material, collectively referred as “Financial Outlook” – actual results may from vary from the Financial Outlook summarized in the Presentation Materials.

Financial Outlook has been included in the Presentation to assist potential investors in determining if this investment is suitable for their investment profile, and readers should be cautioned that the Financial Outlook summarized in the Presentation Materials may not be appropriate for other purposes. The Financial Outlook is not, and recipients should not treat it as, advice relating to legal, taxation or investment matters. Recipients may not use, reproduce or adapt the Financial Outlook without prior written consent of the Trust. In addition, data, outcomes, estimates and forecasts contained in or derived from the Financial Outlook may neither be disclosed to anyone other than the recipient’s directors, officers and employees to whom disclosure is necessary for the purposes of evaluating the Securities nor referred to in any public document without prior written consent of the Trust.

Future results are impossible to predict. Opinions, assumptions and estimates offered in the Presentation Materials constitute our judgement based on information and circumstances as of the date of this presentation and are subject to change without notice, as are statements about market trends, which are based on current market conditions. The Financial Outlook contains assumptions detailed therein which may not materialize as forecasted, as unanticipated events and circumstances may occur subsequent to the date of the Presentation. In preparing the Presentation and Financial Outlook contained therein, we have relied upon and assumed, without independent verification, the accuracy and completeness of all information either received from third parties or received from public or other sources.

Estimates and forecasts derived from the Financial Outlook are subject to significant uncertainties and contingencies. The Trust does not represent that estimates or forecasts contained in the Presentation Materials will be achieved. A number of factors could cause actual events, results, performance or achievements of the Trust to differ materially from the results in the Financial Outlook. The recipient must make its own investigations and inquiries regarding the uncertainties and contingencies that may be relevant to its analysis and the impact that any change in any assumptions, variables or other inputs may have on that analysis. The Trust does not guarantee the performance or return of capital from investments.

RealCanna – Forward Looking Information

The Presentation Materials include estimates, projections, and other forward-looking statements, within the meaning of applicable Canadian and United States securities laws. All estimates, projections, and other forward-looking statements have been prepared by us on assumptions we consider reasonable, but these estimates, projections, and statements involve a high degree of risk and may not prove accurate. No representation is made as to the accuracy of such estimates, statements, or projections or their attainability, and nothing in this presentation shall be relied upon as a promise or representation as to our future performance.

Statements that are not historical facts or that describe our plans, beliefs, goals, intentions, objectives, projections, expectations, assumptions, strategies, or future events are forward-looking statements. In addition, terms such as "will," "believe," "anticipate," "estimate," "plan," "projects," "continuing," "ongoing," "expect," "intend," "potential," and similar expressions and discussions of our strategy or other intentions identify forward-looking statements. These statements include statements with respect to the successful execution of the Trust's business strategy, the Proposed Transaction, the Trust's and Resulting Issuer's favorable position in the marketplace on a go forward basis, the development of the Trust's business and Resulting Issuer's, market trends and the Trust's and Resulting Issuer's management team. These statements involve estimates, assumptions and uncertainties that could cause actual results to differ materially from those expressed for the reasons described in this presentation. You should not place undue reliance on these forward-looking statements. The forward-looking statements speak only as of the date on which they are made, and, except as required by applicable law, we undertake no obligation to update any forward- looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Statements containing forward-looking information are made as of the date of this presentation.
Statements containing U.S. Regulatory Risk Factors for Marijuana-Related activities are provided at the end of this presentation.

Presentation Content

[Executive Summary](#)

[Proposed Qualifying Transaction \(RTO\)](#)

[Cannabis Market Statistics](#)

[RealCanna & Resulting Issuer Overview](#)

[Cannabis REITs – US](#)

[RealCanna Potential Asset Pipeline](#)

[Terms of Offering](#)

[Pro-Forma Cap Table](#)

[Pro-Forma Financials](#)

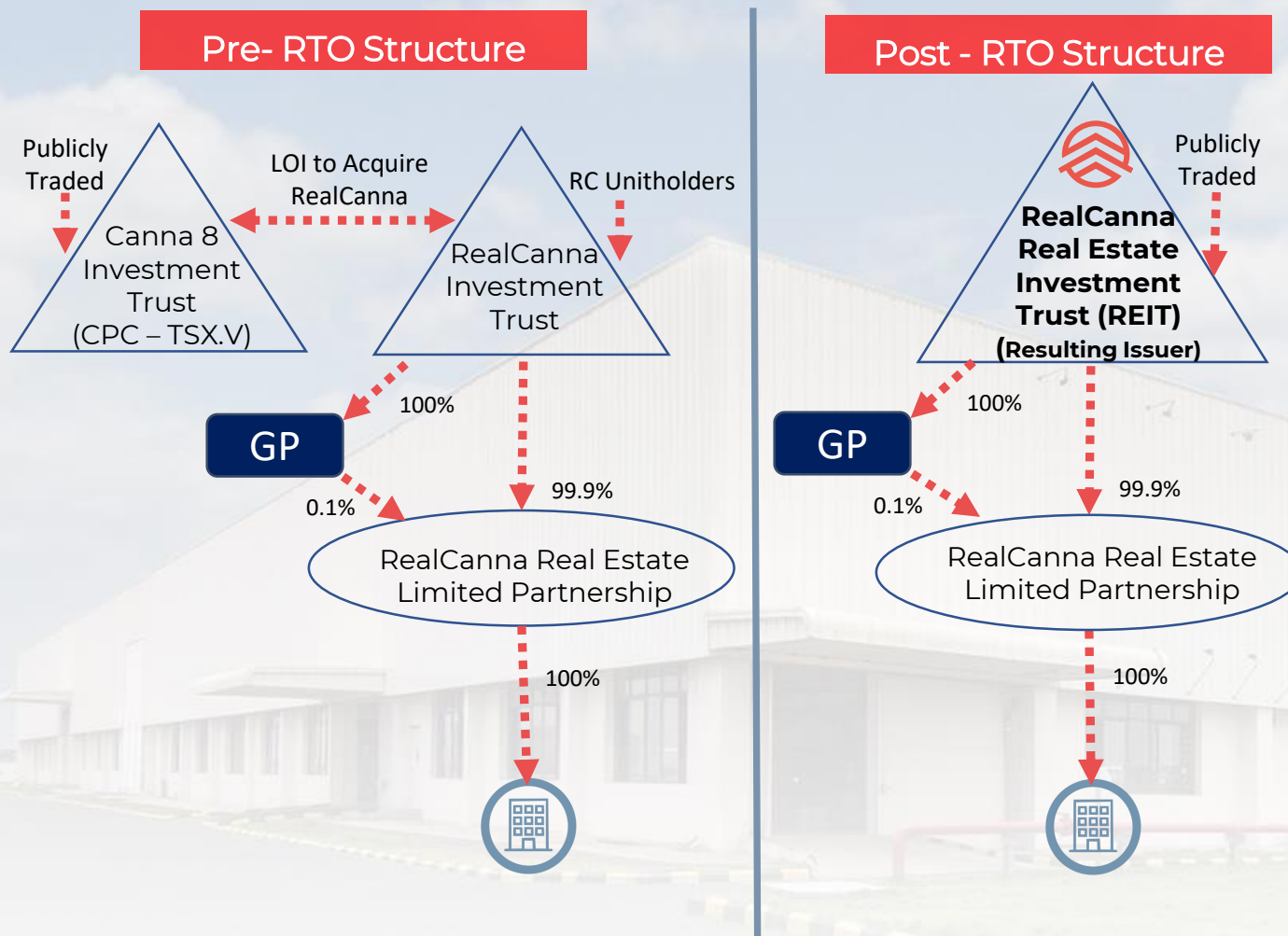
[Investor Rights](#)

Executive Summary

- Proven management team with 80+ years of combined real estate experience executing over \$5 Billion in real estate transactions. Excellent track record with extended access to industry network. .
- REIT focused on providing non-dilutive capital to Canadian cannabis companies by facilitating real estate sale-leaseback transactions. Management aims to expand into American and European markets if the right opportunity arises. North American Cannabis real estate market estimated to be over \$8 Billion¹.
- Targeting 12% to 18% Cap Rate - 2X Avg. CAD Industrial Cap Rate | U.S REIT's & PE Firms achieving 15%-20%. REIT distribution strategy announcement aimed for Q2 2020.
- Focused on licensed brick & mortar industrial properties located in the primary and secondary markets. Avoiding – greenhouse conversions, outdoor grow and Quonsets.
- Strong REIT fundamentals and lower bond yields expected to deliver superior risk adjusted total returns for Canadian REIT market². RealCanna will aim to provide investors with exposure to the potential upside of Cannabis industry with risk tied to real estate.

1. New Frontier Data market size used to project real estate requirement.
2. Source: Canaccord - REIT Review August 2019

Proposed Qualifying Transaction - RTO



- RealCanna has entered into a letter of intent with Canna 8 Investment Trust (“Canna 8”), a capital pool company listed on the TSXV (RCR.P), respecting a business combination between RealCanna and Canna 8 (the “Proposed Transaction”) to ultimately form the resulting issuer that will continue on the business of RealCanna (“the Resulting Issuer”).
- It is intended that the Proposed Transaction, if completed, will constitute Canna 8’s Qualifying Transaction (as such term is defined in the policies of the TSXV) and that the units of the Resulting Issuer will be listed on the TSXV.

Note: Investors are cautioned that forward-looking statements are not a guarantee of future performance and that actual results could differ materially from those currently anticipated due to a number of factors which may be out of management’s control.

RealCanna Resulting Issuer – Proposed Management Team

Dean Parmar – Chief Executive Officer & Chair of the Board Dean has over 30 years of experience managing all aspects of real estate from acquisition, financing, restructuring and asset managing over \$1 billion. In 2000, Dean founded Kingsway Asset Management, which focused on acquisitions, financing and management of approximately \$750 million of assets until 2008. He is the co-founder and president of Group 3 Property Management Ltd, which currently manages over 2 million square feet of commercial real estate and 10,000 residential units in Alberta. Dean is also the co-founder and has for over 20 years been president of Simplex Investment Corp., which is a private investment company that acquires, finances and develops commercial and residential real estate.

Scott Bartholomew – Chief Financial Officer | Scott is a senior finance and investment professional with over 20 years of experience working in the Canadian investment industry. Scott is one of the founding partners of Purpose Investments, where he held multiple executive roles including Chief Financial Officer, Chief Operating Officer and Chief Compliance Officer until November 2018. Over the course of his career Scott has served on several investment fund and private company boards as directors and was CFO of Ether Capital Corp., a TSX listed company, Prior to Purpose Investments, Scott was with Claymore Investments as its Vice President of Operations and Chief Compliance Officer. Scott holds a Bachelor of Commerce from Ryerson University and is a Chartered Financial Analyst

Gopi Pillai – Chief Operating Officer | Gopi brings to the table over 20 years of real estate industry experience with over \$3 billion in transactions. Gopi spent approx. 10 years at GE Capital Real Estate managing and mitigating financial, legal and operational risk. Gopi also underwrote commercial real estate financing and acquisitions transactions. Some of his career highlights include: Underwriting and financing \$400 million of Hudson Bay's real estate portfolio – portion of which was subsequently sold to Target Canada, underwriting and performance due-diligence for the acquisition of Bank of America's \$540 million Canadian loan book, headed GE's post acquisition implementation of compliance and operational strategies of Dundee REIT. Gopi holds a L.L.M from University of Toronto, Canada and L.L.B from University of Madras, India.

Chad Gemmell – VP of Finance | Chad has over 15 years of real estate transaction and advisory experience across all asset classes totaling over \$2 billion in capital, Chad co-founded Canada's first online real estate private equity tech firm. Previously, Chad was a Vice President at JLL, where he helped lead the Canadian Investment Banking team. Chad has an HBA majoring in Finance from Lakehead University and an MBA from NSYSU (National Sun Yat Sen University).

RealCanna Resulting Issuer – Proposed Board of Trustees

Dean Parmar – Chief Executive Officer & Chair of the Board | Dean has over 30 years of experience managing all aspects of real estate from acquisition, financing, restructuring and asset managing over \$1 billion. In 2000, Dean founded Kingsway Asset Management, which focused on acquisitions, financing and management of approximately \$750 million of assets until 2008. He is the co-founder and president of Group 3 Property Management Ltd, which currently manages over 2 million square feet of commercial real estate and 10,000 residential units in Alberta. Dean is also the co-founder and has for over 20 years been president of Simplex Investment Corp., which is a private investment company that acquires, finances and develops commercial and residential real estate.

Lawrence Guy – Trustee | Chief Executive Officer of North 52nd Asset Management Inc. Previously, Larry co-founded Purpose Investments and was a Portfolio Manager with Aston Hill Financial Inc. Prior to Aston Hill, Larry was Chief Financial Officer and Director of Navina Asset Management Inc., a company he co-founded that was subsequently acquired by Aston Hill Financial Inc. He has also held senior offices at Fairway Capital Management Corp. and First Trust Portfolios Canada Inc. Larry holds a Bachelor of Arts (Economics) degree from the University of Western Ontario and is a CFA Charterholder.

Jacob Goldschmidt – Trustee | Jacob has been involved extensively in the investment industry for over 30 years. In this time, he has gained experience in areas such as investment advising, international banking, investment evaluation, financial structuring and economic research. Jacob's career includes wealth management with large investment houses, as well as representing a foreign bank in Canada, real estate finance and a stint with the International Finance Corporation in Washington D.C. Jacob has also lectured on international finance and financial theory at Ryerson University. His background and experience allowed him to develop a global approach to investing and downside risk management. Jacob obtained a Bachelor of Arts (Honours) and Master of Arts (Economics) from the University of Waterloo, as well as an MBA in Finance from the University of Toronto.

Shant Poladian – Trustee | Shant is a senior capital markets, real estate and finance professional with over two decades of proven experience. He has closed numerous equity financings and M&A assignments during his tenure as Managing Director at Dundee Capital Markets/Eight Capital and equity analyst at Canaccord Genuity. He has also served on the board of directors of several listed companies including Amica Mature Lifestyles, FAM REIT and Huntingdon Capital. Shant articulated at Deloitte and holds CPA (US), CPA, CA (Ontario) designations.

Cannabis Market Statistics

Market Overview



\$86
billion

Annual Combined US
& Canada Legal
Cannabis Market

\$8 billion Real Estate Market

280%

Revenue
Increase
(YoY)

for Canadian LP's and averaged 153% across the North-American industry. A total of **\$6.5 billion** across **65 deals** were announced or closed during Q1 and Q2 of 2019.

Acquisition, consolidation and expansion by established operators increasingly tapping into Real Estate for capital.



\$2.7
billion

Canadian
Infused Market



2nd Wave of legalization in Canada expected to create **\$2.7 billion** in opportunities and growth in the infused edibles, beverages, topical and ancillary market.

Regulations requires stand-alone facilities - Demand to increase for RE.

ACTUAL
CANADIAN SALES
(Q1-Q2 2019)



50,766

KILOS
Cannabis Oil



49,968

KILOS
Cannabis Flower

Additional retail stores expected to increase sales.

Source: New Frontier Data & MNP Cannabis Market Update – Aug 2019

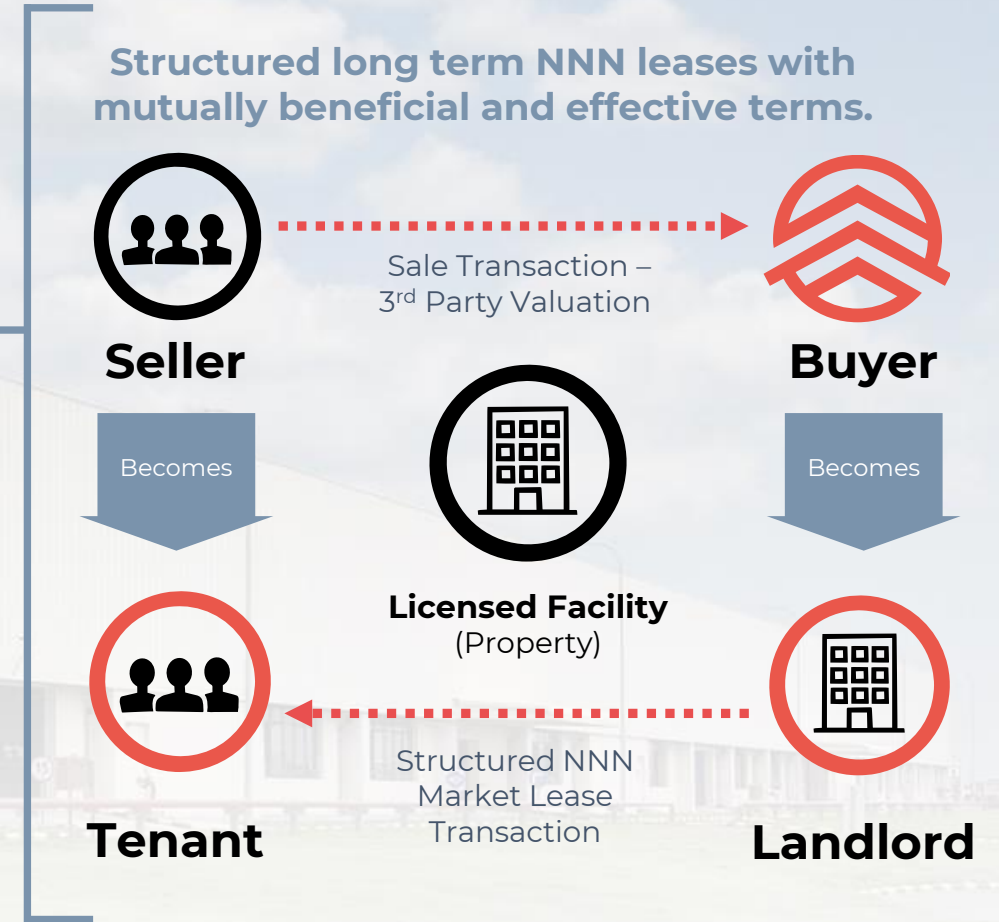
Source: Deloitte – June 2019

Source: Health Canada - August 2019

What is a REIT?



What is a sale/leaseback?



NNN Leases – All expenses paid by Tenant

* REITs are required to distribute profits to investors – CDN REITs on Avg. return approx. 80%

A Successful Concept Applied to Cannabis REIT in Canada



Experienced Management



Specialized Underwriting



Potential Cannabis Industry Upside



Strong Pipeline

RealCanna is a real estate investment trust focused on the acquisition, ownership, and management of specialized industrial properties. Opportunity for cannabis operators to utilize their real estate to capitalize its acquisition or expansion plans.

Investments will be secured by "Brick & Mortar" real estate. RealCanna will be positioned to provide investors with exposure to the potential upside of Cannabis industry with risk tied to real estate.

Examples of other Successful Canadian Sale/Leaseback Transactions



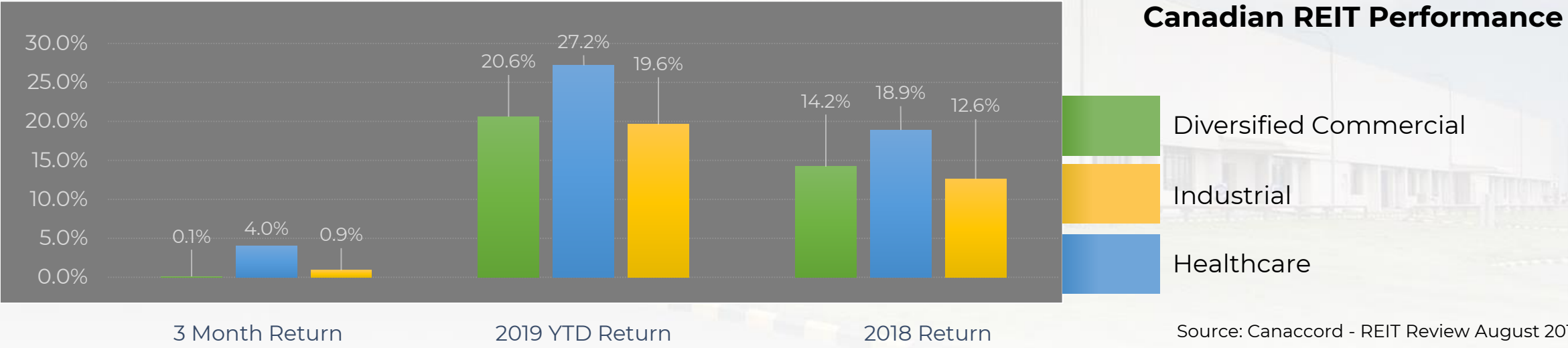
Canadian Industrial & Diversified REIT - Performance

Canadian REITs have outperformed the broader market year-to-date posting a total return of 20.9%

RealCanna is well positioned to be one of the first cannabis-focused industrial REITs to capture the cannabis industry's upside in profitability with risk tied to high demand industrial Real Estate.



The majority of existing cannabis companies are constrained for economic capital to finance their acquisition or expansion due to limited capital participation from banks and institutions. RealCanna REIT sale-leaseback model aims to help these operators access their capital tied to real estate and in the process achieve above average industry returns.



Canadian REIT Performance vs. IIPR

Total Weighed Averages

	Forecast Total Return	Equity Market Cap (\$M)	Current Yield	Implied Cap Rate	Utilized Cap Rate	AFFO Multiple 2019E	AFFO Multiple 2020E	2019E AFFO Yield
Diversified Commercial	6.1%	\$29,144	5.9%	6.2%	6.7%	14.8x	14.0x	6.8%
Industrial	10.0%	\$7,203	4.8%	6.0%	5.9%	20.9x	19.1x	4.8%
IIP REIT*	39.8%	\$1,007	2.69%	14.1%	15%	135x	90x	3.77%

*Forecast assumes IIPR to maintain its 2Q FFO and AFFO for the remainder of year and assumes share price to drop to \$60 and \$40 for 2019 and 2020 respectively.

Commercial mortgage rates at lowest level and expected to go down further.

For commercial REITs, it is estimated that maturing mortgages can be refinanced at rates that are, on average, 120 bps lower than current in-place interest rates (4.1%), which should translate to, on average, 2.5% of incremental FFO per unit (based on 2019 estimates).

Source: Canaccord - REIT Review August 2019

US Cannabis REIT Market



	Innovative Industrial Properties	Tree House REIT (by MedMen)
Properties Owned	26 properties	Approx 19 Properties
Market Cap	\$1.01b	Approx \$180MM
Current Avg Cap Rate	12-15%	9%-13%
Average Lease	15 years, NNN, with two 5-year options	20 years, NNN, with two 5-year options
Focus	Multi-state cultivators & operators	Majority retail & limited production sites
Size	Large up to 1MM+ SF (greenhouse grow)	Avg. 3,000 SF MedMen retail stores
Geography	US, Multiple legalized states	US, Multiple legalized states
Stock Price (52 Week Range)	\$38.82 - \$139.53	Privately Held

IIP Highlights

- Revenue increased **155%** and AFFO increased **176%** from the prior year's second quarter.

Treehouse Highlights

- MedMen is targeting annual revenue run rate of **US\$20MM** for each of their adult use store, with an average spend per customer of US\$80.

Source: IIPR MD&A and Treehouse Website & News Releases

RealCanna – Diversified Properties Portfolio

RealCanna expects to obtain both geographical and operational diversification in the new, vibrant, Global cannabis industry. From vertically integrated operations with LPs and point of sale, to the emerging edibles and derivatives markets across North America, RealCanna anticipates increased investment in real estate across the cannabis sector.



Cultivators

Indoor, vertical and Hybrid Cultivation Facilitates



Processors

Extraction and Pharmaceutical Facilities



Retailer & Dispensary

Clinic and Retail Stores



Edibles

Food Manufacturing



Infused-Beverage

Beverage and Brewing

CDN Legalization expected Oct 2019

Anticipated RealCanna Investment Criteria		Industrial Buildings Max Size 250,000 SF	Primary & Secondary Markets Only	Pharmaceutical & Processing Facilities	Licensed Operators
		No Tertiary / Remote Markets	No Greenhouse Conversions	No Outdoor Farm Grow	No Quonsets / Sheds

Sourcing Potential Cannabis Focused Operators

Qualities We Look For

- Uniqueness of the operator's story
- Experience growing and or processing
- Understanding operators' access to seed genetics, vertical integration – cultivation to processing

Key Questions We Pose

- Management/key personnel experience?
- Master grower or key processor experience?
- Industry partners and tie ups, especially consultants?

Due Diligence Examination

- Cash flow, product price sensitivity + capital structure
- Existing financing sources?
- Licensing documentation and SOP compliance?
- Understand the business plan next 2-3 years
- For second site applicants, understanding where they stand in the application queue

Our Methodology for Acquisitions

Property Selection Criteria

- Industrial properties located in primary and secondary markets
- Verify local zoning by-laws permit cannabis operation within its jurisdiction.
- Primary focus on indoor facilities

Due Diligence Examination

- Environmental Reports (ESA)
- Building Condition Reports (BCA)
- Appraisal Reports
- Cap-ex and Op-ex Budget review and analysis
- Known repairs or deficiencies

Current CDN Pipeline

\$216.2
million
Potential Canadian Asset Pipeline

Alberta
297,343
total sq/ft
\$66,700,000
Real Estate value

Quebec
124,000
total sq/ft
\$19,000,000
Real Estate value

Nova Scotia
82,000
total sq/ft
\$6,000,000
Real Estate value

Ontario
306,000
total sq/ft
\$124,500,000
Real Estate value

- Firm Deals** (Red line)
- Offer Stage** (Dark Blue line)
- Negotiation** (Light Blue line)
- Early DD** (Dashed line)

\$48 MM Potential International Asset Pipeline
(Excluding US)

Pipeline developed based on estimated asset value and compiled since March 2018.

Case Study - Sample Property 1

Property / Building

City / Province	Calgary, AB
District	Great Plains
Property Type	Industrial / Manufacturing

Avg. Lease Return
12% of
Purchase Price

Terms of Lease
10 Years
 (2x Five Year Options)

87,743

Size (SF)

6.34

Size Area (Acres)

Potential to Increase Density

\$13.4MM

Appraised Value

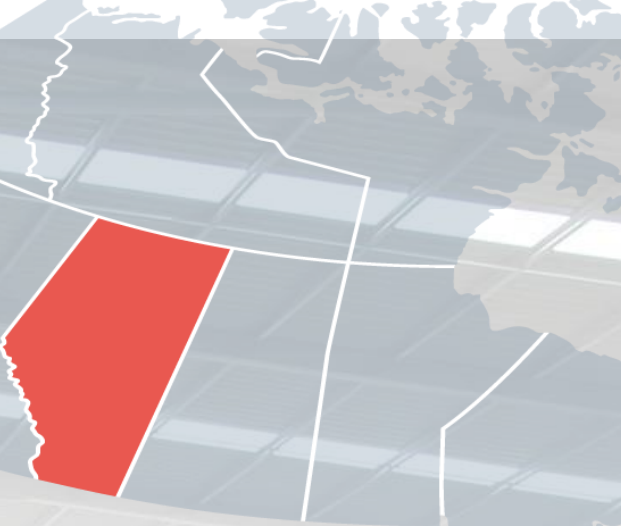
RealCanna to provide top up
 buildout financing.

\$2.0MM

NNN Rent Per Annum

\$1.6MM

Net Operating Income



\$19.3MM
 Total Capital Deployed

Tenant



Headquarters	Vancouver, BC
Cannabis Verticals	Cultivation, Processing, Biosciences
Publically Listed	Yes (CSE, OTCQB, FSE)
Market Cap	\$100.00MM

Note: NNN Leases - tenant responsible for all expenses.

* All Numbers are projections and estimates based on substantive assumptions. See operating model for assumptions.

RealCanna - Terms of Offering

Issuer:	RealCanna Investment Trust. (the “Trust”).
Issue:	Best efforts private placement of units (the “Units”) of the Trust.
Size of Offering:	Minimum of \$10.0MM (the “Offering”).
Issue Price:	\$0.25 per Unit (the “Issue Price”).
Units Comprised of:	One trust unit of the Trust 1 trust unit purchase warrant exercisable for two years at \$0.40 1/10 of a liquidity warrant. Each whole liquidity warrant entitles the holder thereof to one trust unit in the event a Liquidity Event does not occur by January 31, 2020..
Hold Period:	Minimum hold period of 4 months plus a day.
Use of Proceeds:	Acquisition & closing of properties and completion of Proposed Transaction.
Distribution Strategy:	REIT distribution strategy announcement aimed during Q2 2020.

RealCanna Summarized Capitalization Table

RealCanna Trust Units	No. of Units	Price per Unit	Amount	Resulting Issuer %
Initial	7,500,000	\$ 0.100	\$ 750,000	5.03%
Second Round	9,565,000	\$ 0.125	\$ 1,195,625	6.42%
Current Round ⁽¹⁾	60,000,000	\$ 0.250	\$ 15,000,000	40.24%
Total Units Outstanding	77,065,000		\$ 16,945,625	51.69%
RealCanna Convertible Securities		Strike		
Warrants issued in Current Round ⁽¹⁾	60,000,000	\$ 0.40		40.24%
Broker Warrants - Current Round ⁽¹⁾	3,360,000	\$ 0.25		2.25%
Liquidity Warrants issued in Current Round ⁽¹⁾	6,000,000	-		Nil ⁽²⁾
Total Convertible Securities Outstanding	69,360,000			46.52%
Total Units Outstanding (Fully Diluted)	146,425,000			98.21%
CPC - Canna 8		Strike		
Consolidated Trust Units ⁽³⁾	7,575,000			5.08%
Options ⁽³⁾	720,000			0.48%
Broker Warrants ⁽³⁾	375,000			0.25%
Total Canna 8 Units Fully Diluted ⁽³⁾	8,670,000			5.82%
Resulting Issuer (Post Proposed Transaction)				
Total Resulting Issuer Units	84,640,000		\$ 16,945,625	56.77%
Total Resulting Issuer Warrants	60,000,000			40.24%
Total Resulting Broker Warrants	3,735,000			2.51%
Total Resulting Issuer Options	720,000			0.48%
Total Resulting Issuer Units (Fully Diluted) ⁽⁴⁾	149,095,000			100.00%

* Minimum raise of \$10MM required to close on the first property.

Management & Insider units escrowed and vested over a period of 36 months.

Notes:

1. The Current Round includes brokered and non-brokered offering and assumes **Management, Directors and Insiders** subscribe to 12,000,000 Units (**\$3MM**) and members of **Presidents List** subscribe to 16,000,000 Units (**\$4MM**) and 32,000,000 Units (**\$8MM**) are sold to other investors pursuant to the brokered and non-brokered offering.
2. Assumes the Proposed Transaction is completed prior to 5:00 pm (Calgary time) on January 31, 2020.
3. Assumes Canna 8 (CPC) Units are consolidated based on one post-consolidation unit for every ~1.6 pre-consolidation unit
4. Assumes the Proposed Transaction is completed as currently anticipated.

Pro Forma Financials Statement

Year End Dec 31 2019 Dec 31 2020 Dec 31 2021 Dec 31 2022 Dec 31 2023

	Year 1	Year 2	Year 3	Year 4	Year 5
REVENUE					
Rental Revenue	\$454,219	\$1,816,875	\$1,816,875	\$1,816,875	\$1,816,875
Interest Revenue	\$336,649	\$2,016,487	\$2,015,062	\$2,013,391	\$2,011,433
Total Revenue	\$790,868	\$3,833,362	\$3,831,937	\$3,830,266	\$3,828,308
EXPENSES					
Operating Expense	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$0	\$0	\$0	\$0	\$0
Asset Management	\$114,333	\$457,333	\$457,333	\$457,333	\$457,333
Acquisition Fee	\$274,500	\$0	\$0	\$0	\$0
Total Expenses:	\$388,833	\$457,333	\$457,333	\$457,333	\$457,333
Funds from Operations (FFO):	\$402,034	\$3,376,028	\$3,374,604	\$3,372,933	\$3,370,974
Capital Reserve	\$7,909	\$38,334	\$38,319	\$38,303	\$38,283
Adjusted Funds From Operations (AFFO):	\$394,126	\$3,337,695	\$3,336,285	\$3,334,630	\$3,332,691
AFFO Available for Distribution	\$394,126	\$4,688,737	\$4,295,848	\$3,834,062	\$3,559,445
% of AFFO Distributed	0.00%	73.00%	80.00%	90.00%	95.00%
AFFO for Distribution	\$0	\$3,422,778	\$3,436,678	\$3,450,656	\$3,381,473
AFFO Reserve*	\$394,126	\$1,265,959	\$859,170	\$383,406	\$177,972
*Does not include Cash on Balance Sheet					
Total Shares	170,265,000	170,265,000	170,265,000	170,265,000	170,265,000
AFFO Per Share	\$0.002	\$0.020	\$0.020	\$0.020	\$0.020
Dividend Per Share	\$0.000	\$0.020	\$0.020	\$0.020	\$0.020
Round 3 RTO Offering Dividend Yield	0.00%	8.04%	8.07%	8.11%	7.94%

Management Fee

Asset Mgmt. Fee 1% of GBV

Acquisition Fee 1.5%

Capital Reserve 1% of Revenue.

No-Fee Internalization on reaching GBV of ~ 300MM.

NNN Leases – All expenses paid by Tenant

Proforma assumes yield based on closing of the two initial properties . As the portfolio grows to scale, yield and performance metrics are expected to increase accordingly.

No Debt Until Portfolio Reaches Scale of \$50 to \$100MM

Note: Investors are cautioned that forward-looking statements are not a guarantee of future performance and that actual results could differ materially from those currently anticipated due to a number of factors which may be out of management's control.

Pro-forma reflects a snapshot of our operating model with substantive assumptions. Review operating model for assumptions.

Thank You

Dean Parmar

Chairman & CEO

P: 1 (780) 499-7833

E: dparmar@realcannareit.com

Gopi Pillai

Chief Operating Officer

P: 1 (647) 218-3849

E: gpillai@realcannareit.com

RealCanna – Investor Rights

Securities legislation in certain of the Canadian provinces provides purchasers of securities pursuant to an offering memorandum (which may include this Presentation) with a remedy for damages or rescission, or both, in addition to any other rights they may have at law, where the offering memorandum and any amendment to it contains a “Misrepresentation”. Where used herein, “Misrepresentation” means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading in light of the circumstances in which it was made. These remedies must be commenced by the purchaser within the time limits prescribed by applicable securities legislation and are subject to the defences contained in the applicable securities legislation. Purchasers should refer to such applicable securities legislation for the complete text of these rights or consult with a legal adviser. The following is a summary of the statutory rights of rescission or damages, or both, under securities legislation in certain of the provinces of Canada where that is required to be disclosed under the relevant securities legislation, and as such, is subject to the express provisions of the legislation and the related regulations and rules. The rights described below are in addition to, and without derogation from, any other right or remedy available at law to purchasers of the securities.

United States Securities Law

This presentation does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities of the Trust, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The securities of the Trust have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons,” as such term is defined in Regulation S under the U.S. Securities Act, unless an exemption from such registration is available. This presentation was prepared in accordance with Canadian standards which differ in some respects from United States standards.

New Brunswick Purchasers

New Brunswick securities legislation provides that where any information relating to an offering that is provided to a purchaser of the securities contains a misrepresentation, a purchaser who purchases the securities shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase. Such purchaser has a right of action for damages against the issuer or may elect to exercise a right of rescission against the issuer, in which case the purchaser shall have no right of action for damages. No such action shall be commenced more than, in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or, in the case of any action, other than an action for rescission, the earlier of (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action, and (ii) six years after the date of the transaction that gave rise to the cause of action. The New Brunswick legislation provides a number of limitations and defences to such actions, including: (a) the issuer is not liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation; (b) in an action for damages, the issuer shall not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the securities were offered.

Ontario Purchasers

Ontario securities legislation provides that where an offering memorandum is delivered to a purchaser and contains a misrepresentation, the purchaser will be deemed to have relied upon the misrepresentation and will, except as provided below, have a statutory right of action for damages or for rescission against the issuer and a selling security holder on whose behalf the distribution is made; if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages against the issuer or any selling security holder. No such action shall be commenced more than, in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action, or, in the case of any action other than an action for rescission, the earlier of: (i) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the date of the transaction that gave rise to the cause of action. The Ontario legislation provides a number of limitations and defences to such actions, including: (a) the issuer or any selling security holder is not liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation; (b) in an action for damages, the issuer shall not be liable for all or any portion of the damages that the issuer or any selling security holder proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the securities were offered.

These rights are not available for a purchaser that is: (a) a Canadian financial institution, meaning either: (i) an association governed by the Cooperative Credit Associations Act (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; or (ii) a bank, loan corporation, trust company, trust corporation, insurance Trust, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a province or territory of Canada to carry on business in Canada or a province or territory of Canada; (b) a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the Bank Act (Canada); (c) the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada); or (d) a subsidiary of any person referred to in clauses (a), (b) or (c), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.

RealCanna – Investor Rights

Saskatchewan Purchasers

Saskatchewan securities legislation provides that in the event that an offering memorandum, together with any amendments thereto, or advertising and sales literature disseminated in connection with an offering of securities contains a misrepresentation, a purchaser who purchases such securities has, without regard to whether the purchaser relied on the misrepresentation, a right of action for damages against: (a) the issuer and the selling security holder on whose behalf the distribution is made; (b) every promoter and director of the issuer or the selling security holder, as the case may be, at the time the offering memorandum or any amendment to it was sent or delivered; (c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them; (d) every person who or company that, in addition to the persons or companies mentioned in clauses (a) to (c), signed the offering memorandum or the amendment to the offering memorandum; and (e) every person who or company that sells securities on behalf of the issuer and the selling security holder under the offering memorandum or amendment to the offering memorandum. If such purchaser elects to exercise a statutory right of rescission against the issuer or selling security holder, it shall have no right of action for damages against that person or company. No such action for rescission or damages shall be commenced more than, in the case of a right of rescission, 180 days after the date of the transaction that gave rise to the cause of action or, in the case of any action, other than an action for rescission, before the earlier of (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action, and (ii) six years after the date of the transaction that gave rise to the cause of action.

The Saskatchewan legislation provides a number of limitations and defenses, including: (a) no person or company will be liable if the person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation; (b) in the case of an action for damages, no person or company will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation; and (c) in no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser.

No person or company, other than the issuer, will be liable if the person or company proves that: (a) the offering memorandum or any amendment to it was sent or delivered without the person's or company's knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company gave reasonable general notice that it was so sent or delivered; (b) after the filing of the offering memorandum or any amendment to it and before the purchase of securities by the purchaser, on becoming aware of any misrepresentation in the offering memorandum or any amendment to it, the person or company withdrew the person's or company's consent to it and gave reasonable general notice of the person's or company's withdrawal and the reason for it; (c) with respect to any part of the offering memorandum or any amendment to it purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that (i) there had been a misrepresentation, or (ii) the part of the offering memorandum or any amendment to it did not fairly represent the report, opinion or statement of the expert or was not a fair copy of, or an extract from, the report, opinion or statement of the expert; (d) with respect to any part of the offering memorandum or any amendment to it purporting to be made on the person's or company's own authority as an expert or purporting to be a copy of or an extract from the person's or company's own report, opinion or statement as an expert that contains a misrepresentation attributable to failure to represent fairly his, her or its report, opinion or statement as an expert, (i) the person or company had, after reasonable investigation, reasonable grounds to believe, and did believe, that the part of the offering memorandum or any amendment to it fairly represented the person's or company's report, opinion or statement, or (ii) on becoming aware that the part of the offering memorandum or of any amendment to it did not fairly represent the person's or company's report, opinion or statement as an expert, the person or company immediately advised the Financial and Consumer Affairs Authority of Saskatchewan and gave reasonable general notice that such use had been made of it and that the person or company would not be responsible for that part of the offering memorandum or of the amendment to it; or (e) with respect to a false statement purporting to be a statement made by an official person or contained in what purports to be a copy of or extract from a public official document, the statement was a correct and fair representation of the statement or copy of or extract from the document and the person or company had reasonable grounds to believe, and did believe, that the statement was true.

The Saskatchewan legislation also provides that where an individual makes a verbal statement to a prospective purchaser that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser is deemed to have relied on the misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for damages against the individual who made the verbal statement. The Saskatchewan legislation provides a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are sold in contravention of Saskatchewan securities legislation, regulations or a decision of the Financial and Consumer Affairs Authority of Saskatchewan.

The Saskatchewan legislation also provides a right of action for rescission or damages to a purchaser of securities to whom an offering memorandum or any amendment to it was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities, as required by the Saskatchewan legislation.

The Saskatchewan legislation also provides that a purchaser who has received an amended offering memorandum that was amended and delivered in accordance with such legislation has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended offering memorandum.

The Saskatchewan legislation also provides that a purchaser who has received an amended offering memorandum that was amended and delivered in accordance with such legislation has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended offering memorandum.

RealCanna – Investor Rights

Nova Scotia Purchasers

Nova Scotia securities legislation provides that in the event that an offering memorandum or a record incorporated by reference in an offering memorandum, together with any amendments thereto, or any advertising or sales literature (as defined in the Nova Scotia securities legislation) contains a misrepresentation, a purchaser who purchases the securities referred to in it is deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of purchase. Such purchaser has a statutory right of action for damages against the seller (which includes the issuer) and, subject to certain additional defences, the directors of the seller. Alternatively, the purchaser while still an owner of the securities, may elect instead to exercise a statutory right of rescission against the seller, in which case the purchaser shall have no right of action for damages against the seller or the directors. No such action shall be commenced to enforce the right of action for rescission or damages more than 120 days after the date payment was made for the securities (or after the date on which initial payment was made for the securities where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment). The Nova Scotia legislation provides a number of limitations and defences, including: (a) no person or company is liable if the person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation; (b) in the case of an action for damages, no person or company is liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation; and (c) in no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser.

A person or company, other than the issuer, is not liable with respect to any part of the offering memorandum or any amendment to the offering memorandum not purporting (a) to be made on the authority of an expert or (b) to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company (i) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation or (ii) believed that there had been a misrepresentation.

A person or company, other than the issuer, will not be liable if that person or company proves that: (a) the offering memorandum or any amendment to the offering memorandum was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent; (b) after delivery of the offering memorandum or any amendment to the offering memorandum and before the purchase of the securities by the purchaser, on becoming aware of any misrepresentation in the offering memorandum or any amendment to the offering memorandum, the person or company withdrew the person's or company's consent to the offering memorandum or any amendment to the offering memorandum, and gave reasonable general notice of the withdrawal and the reason for it; or (c) with respect to any part of the offering memorandum or any amendment to the offering memorandum purporting (i) to be made on the authority of an expert, or (ii) to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that (A) there had been a misrepresentation, or (B) the relevant part of the offering memorandum or any amendment to the offering memorandum did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Prince Edward Island Purchasers

A "misrepresentation" for purposes of the Securities Act (Prince Edward Island) also includes an omission to state a material fact that is required to be stated by the Securities Act (Prince Edward Island). If an offering memorandum, together with any amendment to the offering memorandum, delivered to a purchaser resident in Prince Edward Island contains a misrepresentation and it was a misrepresentation at the time of purchase, the purchaser will be deemed to have relied upon the misrepresentation and will have a right of action against the issuer and, subject to certain additional defences, every director of the issuer at the date of the offering memorandum for damages or, alternatively, while still the owner of the purchased securities, for rescission against the issuer, provided that:

1. no action shall be commenced to enforce the foregoing rights:
 - a) in the case of an action for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action; or
 - b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the date the purchaser first had knowledge of the facts giving rise to the cause of the action, or (ii) three years after the date of the transaction that gave rise to the cause of the action;
2. no person or company will be liable if the person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation;
3. no person or company (other than the issuer) will be liable if it proves that (i) the offering memorandum was delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent, (ii) after the delivery of the offering memorandum and before the purchase of the securities by the investor, on becoming aware of any misrepresentation in the offering memorandum, the person or company withdrew the person's or company's consent to the offering memorandum and gave reasonable general notice of the withdrawal and the reason for it, or (iii) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, or the relevant part of the offering memorandum did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert;
4. no person or company will be liable with respect to any part of the offering memorandum not purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, an opinion or a statement of an expert unless the person or company (i) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation or (ii) believed that there had been a misrepresentation;
5. in an action for damages, the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and
6. in no case shall the amount recoverable exceed the price at which the securities were sold to the purchaser.

RealCanna – Investor Rights

Manitoba Purchasers

In the event that an offering memorandum, together with any amendment thereto delivered to purchasers of securities resident in Manitoba, contains a misrepresentation and it is a misrepresentation at the time of purchase, the purchaser shall be deemed to have relied upon the misrepresentation and shall have, in addition to any other rights it may have at law, (a) a right of action for damages against (i) the issuer, (ii) every director of the issuer at the date of the offering memorandum (collectively, the "Directors") and (iii) every person or corporation who signed the offering memorandum (collectively, the "Signatories"), or (b) a right of rescission against the issuer. If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into the offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum. A purchaser of securities may elect to exercise a right of rescission against the issuer, in which case the purchaser will have no right of action for damages against the issuer, Directors or Signatories. All persons or companies referred to above that are found to be liable or accept liability are jointly and severally liable. A person or company who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all the circumstances of the case, the court is satisfied that it would not be just and equitable.

Directors or Signatories will not be liable:

- if they prove the offering memorandum was sent or delivered to the purchaser without their knowledge or consent and, on becoming aware of its delivery, promptly gave general reasonable notice that it was delivered without their knowledge and consent;
- if they prove that, after becoming aware of a misrepresentation in the offering memorandum they withdrew their consent to the offering memorandum and gave reasonable general notice to the issuer of their withdrawal and the reasons therefore;
- if, with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert ("Expert Opinion"), if such person proves they did not have any reasonable grounds to believe and did not believe that there was a misrepresentation or that the relevant part of the offering memorandum did not fairly represent the Expert Opinion or was not a fair copy of, or an extract from, such Expert Opinion; or
- with respect to any part of the offering memorandum not purporting to be made on an expert's authority, or not purporting to be a copy of, or an extract from an Expert Opinion, unless the Director or Signatory: (i) did not conduct an investigation sufficient to provide reasonable grounds for a believe that there had been no misrepresentation; or (ii) believed that there had been a misrepresentation.

No person or company is liable in an action for rescission or damages if that person or company proves that the purchaser had knowledge of misrepresentation. In an action for damages, the issuer, the Directors and Signatories will not be liable for all or any part of the damages that they prove do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon. The amount recoverable under the right of action shall not exceed the price at which the securities were offered for sale.

A purchaser of securities to whom the offering memorandum was not delivered prior to such purchase in circumstances where such offering memorandum was required to be delivered, has a right of rescission or a right of action for damages against the issuer or any dealer who failed to deliver the offering memorandum within the prescribed time. A purchaser to whom the offering memorandum is required to be sent may rescind the contract to purchase the securities by sending a written notice of rescission to the issuer not later than midnight on the second day, excluding Saturdays, Sundays and holidays, after the purchaser signs the agreement to purchase the securities.

Unless otherwise provided under applicable securities legislation, no action shall be commenced to enforce a right of action unless the right is exercised:

- in the case of rescission, not later than 180 days from the day of the transaction that gave rise to the cause of action; or
- in the case of an action, other than an action for rescission, the earlier of: (i) 180 days from the day the purchaser first had knowledge of the facts giving rise to the cause of action; and (ii) two years from the day of the transaction that gave rise to the cause of action.

Quebec Purchasers

If there is a misrepresentation in this Presentation, the purchaser has a statutory right to apply to have the contract rescinded or the price revised, without prejudice to the purchaser's claim for damages and the purchaser has a statutory right to sue for damages against: the Trust and every officer or trustee of the Trust; any dealer under contract to the Trust;

any person who is required to sign a certificate, in accordance with the conditions prescribed by regulations; and any expert whose opinion, containing a misrepresentation, appeared, with his consent, in the Presentation.

This statutory right to sue is available to the purchaser whether or not the purchaser relied on the misrepresentation. However, there are various defences available to the persons or companies that the purchaser has a right to sue. In particular, they have a defence if the purchaser knew of the misrepresentation when the purchaser purchased the Securities. If the purchaser intends to rely on the rights described in (a), (b), (c) or (d) above, the purchaser must do so within strict time limitations. No action may be commenced to enforce such right unless the right is exercised: (a) in the case of rescission or revision of the price, within three years from the date of the transaction; and (b) in the case of damages, within three years of the date on which you acquired knowledge of the facts giving rise to the action, except upon proof that the plaintiff acquired such knowledge more than three years after the date of the transaction as a result of the negligence of the plaintiff, subject to a maximum period of five years from the date of the filing of the investor presentation.

In addition for rescission or revision of the price or damages against the Trust, the defendant may defeat the application only if it is provided the plaintiff knew, at the time of the transaction, of the alleged misrepresentation.

RealCanna – Investor Rights

Newfoundland and Labrador Purchasers The right of action for damages or rescission described herein is conferred by Section 130.1 of the Securities Act (Newfoundland and Labrador) (the “Newfoundland Act”). The Newfoundland Act provides, in relevant part, that where an offering memorandum contains a misrepresentation, as defined in the Newfoundland Act, a purchaser who purchases securities offered by the offering memorandum has, without regard to whether the purchaser relied upon the misrepresentation, a statutory right of action (a) for damages against (i) the issuer, (ii) every director of the issuer at the date of the offering memorandum, and (iii) every person or company who signed the offering memorandum and (b) for rescission against the issuer.

The Newfoundland Act provides a number of limitations and defences in respect of such rights. Where a misrepresentation is contained in an offering memorandum, a person or company shall not be liable for damages or rescission: (a) where the person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation; (b) in the case of an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation; and (c) in no case will the amount recoverable in any action exceed the price at which the securities were offered under the offering memorandum.

In addition, no person or company, other than the issuer, is liable: (a) where the person or company proves that the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its being sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the knowledge and consent of the person or company; (b) if the person or company proves that the person or company, on becoming aware of the misrepresentation in the offering memorandum, withdrew the person's or company's consent to the offering memorandum and gave reasonable notice to the issuer of the withdrawal and the reason for it; (c) if, with respect to any part of the offering memorandum purporting to be made on the authority of an expert or purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, the person or company proves that the person or company did not have any reasonable grounds to believe and did not believe that: (i) there had been a misrepresentation; or

(ii) the relevant part of the offering memorandum: (A) did not fairly represent the report, opinion or statement of the expert; or (B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert; or (d) with respect to any part of the offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company: (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation; or (ii) believed there had been a misrepresentation.

Section 138 of the Newfoundland Act provides that no action shall be commenced to enforce these rights more than: (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or (b) in the case of an action for damages, the earlier of: (i) 180 days after the date that the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) three years after the date of the transaction that gave rise to the cause of action.

Disclosure Specific to Cannabis Industry

DISCLOSURE FOR ISSUERS WITH US MARIJUANA-RELATED ACTIVITIES AND RELATED U.S. RISK FACTORS

Apart from approve low-THC industrial hemp, cannabis remains illegal under U.S. Federal Law

Through its proposed finance activities, the Trust will be indirectly involved in the cannabis industry in the United States where local state law permits such activities. However, the distribution, possession, and consumption of cannabis remain illegal under U.S. Federal Law.

Investors are cautioned that unlike in Canada, in the United States, cannabis is largely regulated at the state level. To the Corporation's knowledge, there are to date, 33 states of the United States plus the District of Columbia that have laws and/or regulations that recognize, in one form or another, legitimate medical uses for cannabis. Many other states are considering similar legislation. Notwithstanding the permissive regulatory environment of medical cannabis at the state level, cannabis continues to be categorized as a controlled substance under the Controlled Substances Act (the "CSA") in the United States and as such, is in violation of federal law in the United States.

Violations of any federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the federal government or private citizens, or criminal charges, including, but not limited to, disgorgements of profits, cessation of business activities or divestiture.

As a result of the conflicting views between state legislatures and the federal government regarding cannabis, investments in cannabis related businesses in the United States are subject to inconsistent legislation and regulation. The response to this inconsistency was addressed in August 2013 when then Deputy Attorney General, James Cole, authored the Cole Memorandum (the "Memorandum"). The Memorandum was addressed to all United States district attorneys acknowledging that notwithstanding the designation of cannabis as a controlled substance at the federal level in the United States, several US states have enacted laws relating to cannabis for medical purposes. The Memorandum outlined certain priorities for the Department of Justice (the "DOJ") relating to the prosecution of cannabis offenses. In particular, the Memorandum noted that in jurisdictions that have enacted laws legalizing cannabis in some form and that have also implemented strong and effective regulatory and enforcement systems to control the cultivation, distribution, sale and possession of cannabis, conduct in compliance with those laws and regulations is less likely to be a priority at the federal level. Notably, however, the DOJ has never provided specific guidelines for what regulatory and enforcement systems it deems sufficient under the Memorandum standard.

In light of limited investigative and prosecutorial resources, the Memorandum concluded that the DOJ should be focused on addressing only the most significant threats related to cannabis. States where medical cannabis had been legalized were not characterized as a high priority. On January 4, 2018, US Attorney General Jeff Sessions issued a memorandum to US district attorneys which rescinded the Memorandum. With the Memorandum rescinded, US federal prosecutors can exercise their discretion in determining whether to prosecute cannabis-related violations of U.S. federal law throughout the United States. The full impact of the decision to rescind the Memorandum remains unknown and may have a material adverse effect on the Trust's business and results of operations.

The Trust's business interests in the United States involve financing, leasing, and potentially other business arrangements with licensed cannabis producers and distributors. The Trust is not aware of any non-compliance with the applicable licensing requirements or regulatory framework enacted by the states in which any of the Trust's potential borrowers, lessees or other partners operates.

In February 2017, the Task Force on Crime Reduction and Public Safety was established through an executive order by the President of the United States. Names of those serving on the task force have not been published, and the group was supposed to deliver its recommendations by July 27, 2017. The recommendations of the group were not made public on that date, but the Attorney General issued a public statement which said he had received recommendations "on a rolling basis" and he had already "been acting on the task force's recommendations to set the policy of the department." Based on previous public statements made by the Attorney General, there had been some expectation that the task force may make some recommendations with respect to laws relating to cannabis. However, to date there has been no public announcement in this regard from the Attorney General.

The Trust is subject to a variety of laws and regulations domestically and in the United States that involve money laundering, financial recordkeeping and proceeds of crime, including the Currency and Foreign Transactions Reporting Act of 1970 (commonly known as the Bank Secrecy Act), as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada), as amended and the rules and regulations thereunder, the Criminal Code (Canada) and any related or similar rules regulations or guidelines. issued, administered or enforced by governmental authorities in the United States and Canada.

In the event that any of the Trust's operations, or any proceeds thereof, any dividends or distributions therefrom, or any profits or revenues accruing from such operations in the United States were found to be in violation of money laundering legislation or otherwise, such transactions may be viewed as proceeds of crime under one or more of the statutes noted above or any other applicable legislation. This could restrict or otherwise jeopardize the ability of the Corporation to declare or pay dividends, effect other distributions or subsequently repatriate such funds back to Canada.

The Trust, and its borrowers, lessees and other partners, may have difficulty accessing the services of banks, which may make it difficult for the Corporation to operate. Since the use of cannabis is illegal under US federal law, and in light of concerns in the banking industry regarding money laundering and other federal financial crime related to cannabis, US banks have been reluctant to accept deposit funds from businesses involved with the cannabis industry. Consequently, businesses involved in the cannabis industry often have difficulty finding a bank willing to accept their business. Likewise, cannabis businesses have limited, if any, access to credit card processing services. As a result, many cannabis businesses in the US may be cash-only.