CARLAW CAPITAL V CORP.

(to be renamed Eve & Co Incorporated)

FILING STATEMENT

in respect of the Qualifying Transaction involving

1600978 ONTARIO INC. (operating as Natural MedCo)

Dated as at June 18, 2018

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the Qualifying Transaction described in this Filing Statement.

All information contained in this Filing Statement with respect to Carlaw Capital V Corp. ("**Carlaw**") was supplied by Carlaw for inclusion herein.

All information contained in this Filing Statement with respect to 1600978 Ontario Inc. ("**NMC**" or "**Natural MedCo**") was supplied by NMC for inclusion herein.

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GLOSSARY OF DEFINED TERMS

The following is a glossary of certain general terms used in this Filing Statement, including the summary hereof. Terms and abbreviations used in the financial statements included in, or appended to this Filing Statement are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders. Unless otherwise indicated, all currency references are to Canadian dollars.

"**2017 Equity Financing**" means the non-brokered private placement of approximately $5,000,000 completed in November and December 2017 through the issuance of an aggregate of 9,987,750 NMC Common Shares (pre-NMC Stock Split);

"**ACMPR**" means the *Access for Cannabis for Medical Purposes Regulations* (Canada) in effect since August 24, 2016, and which replaced the MMPR;

"**Affiliate**" means a Company that is affiliated with another Company as described below:

A Company is an "Affiliate" of another Company if:

(a) one of them is the subsidiary of the other; or

(b) each of them is controlled by the same Person.

A Company is "**controlled**" by a Person if:

(a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person; and

(b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

A Person beneficially owns securities that are beneficially owned by:

(a) a Company controlled by that Person; or

(b) an Affiliate of that Person or an Affiliate of any Company controlled by that Person;

"**Agency Agreement**" means the agency agreement dated June 15, 2018 between NMC and the QT Agents in respect of the QT Brokered Financing;

"**Amalco**" means the OBCA corporation proposed to be named "Natural MedCo Ltd." to be formed pursuant to the Amalgamation, which will be a direct subsidiary of the Resulting Issuer;

"**Amalgamation**" means the amalgamation of the Carlaw Subco and NMC pursuant to the terms and conditions of the Amalgamation Agreement and the OBCA;

"**Amalgamation Agreement**" means the amalgamation agreement dated June 14, 2018 between Carlaw, Carlaw Subco and NMC, setting forth the terms pursuant to which Carlaw Subco and NMC amalgamate and continue on as one corporation under the OBCA;

"**Articles of Amalgamation**" means articles of amalgamation giving effect to the Amalgamation to be filed with the Director;

"**Associate**" when used to indicate a relationship with a person or Company, means:

(a) an issuer of which the person or Company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer;

(b) any partner of the person or Company;

(c) any trust or estate in which the person or Company has a substantial beneficial interest or in respect of which a person or Company serves as trustee or in a similar capacity;

(d) in the case of a person, a relative of that person, including

   (i) that person's spouse or child, or

   (ii) any relative of the person or of his spouse who has the same residence as that person; but

(e) where the TSXV determines that two persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding Company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D of the TSXV with respect to that Member firm, Member corporation or holding company;

"**Available Funds**" means the estimated working capital (total current assets less total current liabilities) which will be available to the Resulting Issuer (including the working capital of each of Carlaw and NMC), as at the most recent month end preceding the date of this Filing Statement, after giving effect to the Amalgamation and the QT Financings;

"**Board**" means the board of directors of Carlaw or the Resulting Issuer, as the context requires;

"**Carlaw**" means Carlaw Capital V Corp., prior to the completion of the Amalgamation;

"**Carlaw Subco**" means 2628385 Ontario Inc., a corporation incorporated under the OBCA and a direct wholly-owned subsidiary of Carlaw;

"**Carlaw Financial Statements**" means the audited financial statements of Carlaw for the years ended December 31, 2017 and 2016, and the unaudited financial statements of Carlaw for the three month period ended March 31, 2018, which are attached to this Filing Statement as Schedule A;

"**Carlaw MD&A**" means the Management's Discussion and Analysis of Carlaw for the years ended December 31, 2017 and 2016, and for the three month period ended March 31, 2018, which are attached to this Filing Statement as Schedule B;

"Carlaw Meeting" means the annual and special meeting of the Shareholders held on April 27, 2018 to approve, among other things, the Carlaw Meeting Matters;

"Carlaw Meeting Matters" means the following matters approved by Shareholders at the Carlaw Meeting: (i) a special resolution approving the Carlaw Stock Split; (ii) a special resolution to change the name of

Carlaw in connection with the Qualifying Transaction; (iii) the election of the NMC Nominees; and (iv) such other matters that may be reasonably required in order to give effect to the Amalgamation as are deemed appropriate by the Board and acceptable to NMC, acting reasonably;

"Carlaw Stock Split" means the stock split approved by the Shareholders on April 27, 2018 pursuant to which the issued and outstanding Common Shares will be split on the basis of two Common Shares for every one outstanding Common Share immediately prior to Closing;

"**CDSA**" means the *Controlled Drugs and Substances Act*;

"**Closing**" means the closing of the Amalgamation, which shall occur on the date shown on the Articles of Amalgamation;

"**Common Share**" means a common share in the capital of Carlaw or the Resulting Issuer, as the context requires;

"**Company**" unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

"**Completion of the Qualifying Transaction**" means the date the Final Exchange Bulletin is issued by the TSXV;

"**Control Person**" means, any person or Company that holds or is one of a combination of persons or companies that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer, except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer;

"**CPC**" means a corporation:

(a) that has been incorporated or organized in a jurisdiction in Canada;

(b) that has filed and obtained a receipt for a preliminary CPC Prospectus from one or more of the securities regulatory authorities in compliance with the CPC Policy; and

(c) in regard to which the Completion of the Qualifying Transaction has not yet occurred;

"**CPC Escrow Agreement**" means the escrow agreement dated November 12, 2014 between Carlaw, the Escrow Agent and certain shareholders of Carlaw;

"**CPC Escrow Shares**" means the securities of Carlaw held in escrow pursuant to the CPC Escrow Agreement;

"**CPC Policy**" means Policy 2.4 – *Capital Pool Companies* of the TSXV Corporate Finance Manual;

"**CPC Prospectus**" means a prospectus prepared in accordance with TSXV Form 3A – *CPC Prospectus Form*, the CPC Policy and applicable securities laws;

"**Definitive Agreement**" means the definitive agreement dated October 23, 2017 between Carlaw and NMC pursuant to which Carlaw agreed to acquire all of the issued and outstanding NMC Common Shares;

"**Director**" means the director appointed under the OBCA;

"**Escrow Agent**" means TSX Trust Company, in its capacity as escrow agent for the Common Shares to be held in escrow;

"**Filing Statement**" means this Filing Statement, together with all schedules attached hereto and including the summary hereof;

"**Final Exchange Bulletin**" means the TSXV Bulletin which is issued following Closing and the submission of all required documentation and that evidences the final TSXV acceptance of the Qualifying Transaction;

"**IFRS**" means International Financial Reporting Standards;

"**Insider**" if used in relation to an issuer, means:

(a) a director or senior officer of the company;

(b) a director or senior officer of the company that is an Insider or subsidiary of the company;

(c) a Person that beneficially owns or controls, directly or indirectly, Voting Shares carrying more than 10% of the voting rights attached to all outstanding Voting Shares of the company; or

(d) the company itself if it holds any of its own securities;

"**IPO**" means the initial public offering of Common Shares by Carlaw completed on February 5, 2015;

"**IPO Agency Agreement**" means the agency agreement dated November 12, 2014 between Carlaw and the IPO Agent;

"**IPO Agent**" means Canaccord Genuity Corp.;

"**License**" means License No. 10-MM0206/2017 originally issued by Health Canada pursuant to the MMPR, which remains valid and continued under the ACMPR, with an expiry date of July 22, 2020, granting NMC the authority to produce, possess, ship, transport, deliver and destroy dried marijuana and marijuana plants, including live clippings and seeds;

"**Licensed Producer**" means the holder of a license to produce marijuana under the ACMPR;

"**OBCA**" means the *Business Corporations Act* (Ontario), including the regulations promulgated thereunder, as amended;

"**marijuana**" has the meaning given to the term "marihuana" in the ACMPR;

"MMPR" means the *Marihuana for Medical Purposes Regulations* issued pursuant to the *Controlled Drugs and Substances Act;*

"**NMC**" means 1600978 Ontario Inc., operating as "Natural MedCo", and upon completion of the Amalgamation, Amalco;

"**NMC Class C Shares**" means Class C Special shares in the capital of NMC;

"**NMC Common Shares**" means common shares in the capital of NMC;

"**NMC Financial Statements**" means the audited consolidated financial statements of NMC for the years ended October 31, 2017 and 2016 and the unaudited consolidated financial statements of NMC for the three months ended January 31, 2018, which are attached to this Filing Statement as Schedule C;

"**NMC MD&A**" means the Management's Discussion and Analysis of the Financial Condition and Results of Operations of NMC for the years ended October 31, 2017 and 2016 and the three month period ended January 31, 2018, which is attached to this Filing Statement as Schedule D;

"**NMC Nominees**" has the meaning ascribed thereto in "Part IV – Information Concerning the Resulting Issuer – Proposed Directors, Officers and Promoters";

"**NMC Shares**" means the NMC Common Shares and the NMC Class C Shares;

"NMC Stock Split" means the stock split completed on June 14, 2018, pursuant to which the issued and outstanding NMC Common Shares were split on the basis of two NMC Common Shares for every one outstanding NMC Common Share;

"**Non-Arm's Length Qualifying Transaction**" means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are to be the subject of the proposed Qualifying Transaction;

"**person**" means a Company or individual;

"**Phase One Expansion**" means NMC's 100,000 sq. ft. greenhouse expansion expected to be completed in June 2018;

"**Phase Two Expansion**" means NMC's prospective 780,000 sq. ft. greenhouse expansion;

"**Pro Forma Financial Statements**" means the unaudited pro forma statement of financial position for the Resulting Issuer as at March 31, 2018 to give effect to the Amalgamation as if it had taken place as of March 31, 2018, which is attached to this Filing Statement as Schedule E;

"**Promissory Notes**" means the promissory notes issued by Carlaw Subco and held by Ms. Rombouts and Mr. Burch, with an aggregate principal of $976,000 in exchange for the purchase by Carlaw Subco of all of the issued and outstanding NMC Class C Shares;

"**QT Agents**" means, collectively, the QT Co-Lead Agents, Echelon Wealth Partners and INFOR Financial Inc.;

"**QT Brokered Financing**" means the brokered private placement by NMC of 25,340,000 QT Subscription Receipts at an issue price of $0.25 per QT Subscription Receipt;

"**QT Co-Lead Agents**" means Haywood Securities Inc. and PI Financial Corp.;

"**QT Debentures**" means the 10.0% senior unsecured convertible debentures forming part of the QT Debenture Units;

"**QT Debenture Compensation Options**" means the non-transferable compensation options issued in connection with the QT Debenture Financing;

"**QT Debenture Financing**" means the private placement of QT Debenture Units for aggregate gross proceeds of $10,000,000;

“**QT Debenture Units**” means the debenture units of NMC issued pursuant to the QT Debenture Financing at an issue price of $1,000 per debenture unit, each debenture unit consisting of (i) $1,000 principal amount of QT Debentures and (ii) QT Warrants exercisable to purchase up to 3,333 NMC Common Shares at an exercise price of $0.35 for a period of two years following the date of issue;

“**QT Equity Compensation Options**” means the non-transferable compensation options issued in connection with the QT Brokered Financing;

“**QT Equity Financings**” means the QT Brokered Financing and the QT Non-Brokered Financing;

“**QT Escrow Agreement**” means the TSXV Form 5D Tier 1 Value Security Escrow Agreement to be entered into in connection with the Completion of the Qualifying Transaction between the Resulting Issuer, the Escrow Agent and certain NMC shareholders, as more particularly described in this Filing Statement;

“**QT Financings**” means collectively, the QT Equity Financings and the QT Debenture Financing;

“**QT Non-Brokered Financing**” means the non-brokered private placement by NMC of 17,852,600 NMC Common Shares at an issue price of $0.25 per NMC Common Share;

“**QT Subscription Receipts**” means the subscription receipts of NMC issued pursuant to the QT Brokered Financing at an issue price of $0.25 per subscription receipt, each subscription receipt being convertible into one NMC Common Share subject to the Release Conditions;

“**QT Warrants**” means the common share purchase warrants of NMC forming part of the QT Debenture Units;

“**Qualifying Transaction**” or “**QT**” means a transaction where a CPC acquires Significant Assets other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means, and, specifically in the case of Carlaw, means the Amalgamation all as more particularly described herein;

“**Real Estate Option Agreement**” means the option held by Ms. Rombouts and Mr. Burch to purchase the land on which NMC’s greenhouse facility is situated;

“**Release Conditions**” means the conditions set out in the Subscription Receipt Agreement to convert the QT Subscription Receipts into NMC Common Shares;

“**Resulting Issuer**” or “**Eve & Co**” means Carlaw (proposed to be named “Eve & Co Incorporated”) following completion of the Amalgamation and the issuance of the Final Exchange Bulletin;

“**Resulting Issuer Debentures**” means the senior unsecured convertible debentures of the Resulting Issuer issued at the completion of the Amalgamation in exchange for the QT Debentures;

“**Resulting Issuer QT Debenture Compensation Options**” means the non-transferable compensation options of the Resulting Issuer issued at the completion of the Amalgamation in exchange for the QT Debenture Compensation Options;

“**Resulting Issuer QT Equity Compensation Options**” means the non-transferable compensation options of the Resulting Issuer issued at the completion of the Amalgamation in exchange for the QT Equity Compensation Options;

"**Resulting Issuer Warrants**" means the common share purchase warrants of the Resulting Issuer issued at the completion of the Amalgamation in exchange for the QT Warrants;

"**Sales License**" means an amendment to the License to include sales to Licensed Producers and directly to patients under the ACMPR;

"**Shareholders**" means the holders of the Common Shares;

"**Significant Assets**" means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any concurrent transactions, would result in the CPC meeting the initial listing requirements of the TSXV;

"**Stock Option Plan**" means the current stock option plan of Carlaw, which will be amended and restated upon Closing to form the stock option plan of the Resulting Issuer;

"**Subscription Receipt Agent**" means TSX Trust Company, acting as escrow agent pursuant to the Subscription Receipt Agreement;

"**Subscription Receipt Agreement**" means the subscription receipt agreement dated June 15, 2018 between NMC, the QT Co-Lead Agents and the Subscription Receipt Agent, as amended or supplemented from time to time;

"**Subscription Receipt Escrow Funds**" means the gross proceeds of the QT Brokered Financing, less: (A) fifty percent (50%) of the QT Agents' cash commission (as described below); (B) certain expenses of the QT Agents; and (C) fifty percent (50%) of the gross proceeds of the QT Brokered Financing, which were paid to NMC net of fifty percent (50%) of the corporate finance fee (and applicable taxes), that have been deposited in escrow, collectively with all interest earned thereon.

"**subsidiary**" includes, with respect to any person, company, partnership, limited partnership, trust or other entity, any company, partnership, limited partnership, trust or other entity controlled, directly or indirectly, by such person, company, partnership, limited partnership, trust or other entity;

"**TSXV**" means the TSX Venture Exchange; and

"**Value Escrow Shares**" means Common Shares to be held in escrow pursuant to Section 4 of TSXV Policy 5.4 - *Escrow, Vendor Consideration and Resale Restrictions*, pursuant to the QT Escrow Agreement as more particularly described in this Filing Statement.

NOTICE TO INVESTORS

Information Pertaining To Natural MedCo

The information contained or referred to in this Filing Statement with respect to NMC and the industry in which it operates has been provided by the management of NMC and is the responsibility of NMC. Management of Carlaw has relied upon NMC for the accuracy of the information provided by NMC without independent verification.

Currency Presentation

All dollar amounts referenced in this Filing Statement and in the Carlaw Financial Statements and NMC Financial Statements are in Canadian dollars and referred to as "$".

Financial Statement Information

The annual financial statements of Carlaw contained in this Filing Statement have been prepared in accordance with IFRS and are denominated in Canadian dollars.

The annual financial statements of NMC contained in this Filing Statement have been prepared in accordance with IFRS and are denominated in Canadian dollars.

The unaudited Pro Forma Financial Statements of the Resulting Issuer (Eve & Co) contained in this Filing Statement have been prepared on the basis of presentation as described in the Pro Forma Financial Statements and are denominated in Canadian dollars.

Market Data

Unless otherwise indicated, information contained in this Filing Statement concerning the industry and markets in which NMC operates, including its general expectations and market position, market opportunity and market share is based on information from independent industry organizations, and other third-party sources (including industry publications, surveys and forecasts), and management estimates. Unless otherwise indicated, management estimates are derived from publicly available information released by independent industry analysts and third-party sources, as well as data from NMC's internal research, and are based on assumptions made by NMC based on such data and its knowledge of such industry and markets, which NMC believes to be reasonable. NMC's internal research has not been verified by any independent source, and it has not independently verified any third-party information. While NMC believes the market position, market opportunity and market share information included in this Filing Statement is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of NMC's future performance and the future performance of the industry in which NMC operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the "Risk Factors".

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Filing Statement contains forward-looking statements that relate to Carlaw and NMC's current expectations and views of future events. The forward-looking statements are contained principally in the sections titled "Summary" and "Information Concerning the Resulting Issuer".

In some cases, these forward-looking statements can be identified by words or phrases such as "may", "believe", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues", "plan", "believe", "aim", "seek" or the negative of these terms, or other similar expressions intended to identify forward-looking statements. Carlaw and NMC have based these forward-looking statements on their current expectations and projections about future events and financial trends that they believe may affect Carlaw, NMC and the Resulting Issuer's financial condition, results of operations, business strategy and financial needs, as the case may be.

Forward-looking statements relating to NMC and Carlaw (or the Resulting Issuer, as applicable) include, among other things, statements relating to:

- the completion of the Amalgamation;
- the terms on which the Amalgamation is intended to be completed;
- expectations regarding facility expansions, sales, expenses and operations;
- anticipated cash needs and needs for additional financing;
- future growth plans;
- ability to attract and retain personnel;
- competitive position and its expectations regarding competition; and
- anticipated trends and challenges in NMC's business and the markets in which it operates.

Forward-looking statements relating to Carlaw include, among other things, statements relating to:

- the continued listing of the Common Shares; and
- the ability to complete any Qualifying Transaction.

Forward-looking statements are based on certain assumptions and analysis made by Carlaw and NMC in light of their experience and perception of historical trends, current conditions and expected future developments and other factors they believe are appropriate, and are subject to risks and uncertainties. Such assumptions include, among others, those relating to general economic conditions, the legislative and regulatory environment, the impact of increasing competition, the ability to obtain regulatory and shareholder approvals and Carlaw's ability to obtain additional financing on satisfactory terms. Although Carlaw and NMC believe that the assumptions underlying the forward-looking statements are reasonable, they may prove to be incorrect. Given these risks, uncertainties and assumptions, shareholders should not place undue reliance on these forward-looking statements.

Whether actual results, performance or achievements will conform to Carlaw or NMC's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "Risk Factors".

Risks, uncertainties, assumptions and other factors could cause Carlaw, NMC and the Resulting Issuer's actual results, performance, achievements and experience to differ materially from Carlaw and NMC's expectations, future results, performances or achievements expressed or implied by the forward-looking statements.

The forward-looking statements made in this Filing Statement relate only to events or information as of the date on which the statements are made in this Filing Statement. Except as required by law, Carlaw, NMC and the Resulting Issuer undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

An investor should read this Filing Statement with the understanding that Carlaw, NMC and the Resulting Issuer's actual future results may be materially different from what is expected.

SUMMARY OF FILING STATEMENT

The following is a summary of information relating to Carlaw, NMC and the Resulting Issuer (assuming Completion of the Qualifying Transaction) and should be read together with the more detailed information and financial data and statements contained elsewhere in this Filing Statement.

Unless otherwise indicated, all references to Common Shares contained in this section entitled "Summary of Filing Statement" assume the completion of the Carlaw Stock Split.

The Companies

Carlaw Capital V Corp.

Carlaw was incorporated pursuant to articles of incorporation dated June 6, 2014, under the OBCA. The full corporate name of Carlaw is "Carlaw Capital V Corp.". On October 17, 2014, Carlaw filed articles of amendment to delete share transfer restrictions contained within its articles. By special resolution, shareholders have authorized the directors to amend the articles of the Corporation to change the name of Carlaw to such name as the directors may approve in their discretion and to consolidate the Common Shares as the directors may approve in their discretion, which amendments are anticipated to be filed on or about the date of the Qualifying Transaction and are subject to TSXV approval. The principal and registered office of Carlaw is located at 268 Royal York Rd., 2nd Floor, Toronto, Ontario M8V 2V9.

The Common Shares were listed for trading on the TSXV under the symbol "CVC.P" on February 5, 2015. On February 8, 2017, trading in the Common Shares was halted for failure to complete a Qualifying Transaction within 24 months of listing. Effective as of November 14, 2017, the Common Shares were transferred to the NEX board of the TSXV under the symbol "CVC.H". Carlaw is a CPC pursuant to the CPC Policy, and since its incorporation it has not carried on any business or operations other than the identifying and evaluating business opportunities for the purposes of completing a Qualifying Transaction.

See "Part I – Information Concerning Carlaw".

Natural MedCo

NMC is a private corporation incorporated pursuant to the provisions of the OBCA on February 2, 2005. The full corporate name of NMC is "1600978 Ontario Inc." and NMC currently operates under the name "Natural MedCo". NMC's business operations are in located Middlesex County, Ontario. NMC's registered and head office is 2941 Napperton Drive, Strathroy, Ontario, N7G 3H8.

NMC received its medical marijuana production license on July 22, 2016 under the MMPR, and is now a Licensed Producer of dried marijuana and marijuana plants under the ACMPR. NMC is led by a team of agricultural experts and has a 120,000 sq. ft. scalable greenhouse production facility located on 32 acres of land in Middlesex County, Ontario.

See "Part II – Information Concerning Natural MedCo".

The Qualifying Transaction

The following section contains a summary of the Amalgamation. This summary is qualified in its entirety by the actual terms of the Amalgamation Agreement which is available on SEDAR at www.sedar.com under Carlaw's profile.

Carlaw and NMC entered into a definitive agreement (the "**Definitive Agreement**") dated as of October 23, 2017 pursuant to which Carlaw agreed to acquire all of the issued and outstanding NMC Common Shares.

Further to the transactions contemplated by the Definitive Agreement, Carlaw and NMC entered into the amalgamation agreement (the "**Amalgamation Agreement**") dated June 14, 2018 pursuant to which NMC will complete a reverse take-over of Carlaw (the "**Amalgamation**"). The Amalgamation is structured as a three-cornered amalgamation pursuant to which NMC and Carlaw Subco will amalgamate and become a wholly-owned subsidiary of the Resulting Issuer. The proposed name of the Resulting Issuer is "Eve & Co Incorporated", or such other name as may be agreed to by the Board and approved by the TSXV.

As a condition precedent to the Amalgamation, the QT Subscription Receipts will be converted into NMC Common Shares prior to the completion of the Amalgamation. As a result of the Amalgamation each NMC Common Share will be exchanged for one Common Share and all of the issued and outstanding NMC Class C Shares will be cancelled.

The number and terms of the securities to be issued in connection with the Amalgamation were determined pursuant to arm's length negotiations between the management of each of Carlaw and NMC.

Completion of the Amalgamation is subject to compliance with the terms and conditions set forth in the Amalgamation Agreement including, but not limited to:

(i) entering into such other agreements necessary for the Amalgamation;

(ii) receipt of all required approvals, including TSXV approval, the approval of the holders of NMC Common Shares in respect of the Amalgamation and related matters, the approval of the Shareholders of the Carlaw Meeting Matters, and all other necessary consents of other third parties;

(iii) completion of the Carlaw Stock Split;

(iv) the conversion of the QT Subscription Receipts into NMC Common Shares;

(v) upon completion of the Amalgamation, the Resulting Issuer meeting the applicable minimum Tier 1 listing requirements including, without limitation, the public float requirements of the TSXV; and

(vi) certain other customary conditions for a transaction of this nature.

The Shareholders approved the Carlaw Meeting Matters on April 27, 2018 and NMC's shareholders approved the Amalgamation on May 28, 2018.

The Resulting Issuer

Upon Completion of the Qualifying Transaction and subject to the approval of the TSXV, it is expected that the Resulting Issuer will be listed on the TSXV as a Tier 1 Issuer (as such term is defined in the policies of the TSXV). The Resulting Issuer will change its registered and head office to 2941 Napperton Drive, Strathroy, Ontario, N7G 3H8.

Upon Completion of the Qualifying Transaction (assuming the completion of the Carlaw Stock Split):

(i) an aggregate of 211,144,014 Common Shares will be issued and outstanding, consisting of:

(a) 179,444,014 Common Shares issued at a deemed price of $0.25 per share to existing holders of NMC Common Shares (including 17,852,600 NMC Common Shares issued pursuant to the QT Non-Brokered Financing);

(b) 25,340,000 Common Shares issued at a deemed price of $0.25 per share to holders of NMC Common Shares issued upon the conversion of the QT Subscription Receipts; and

(c) 6,360,000 Common Shares currently held by shareholders of Carlaw; and

(ii) securities convertible into an aggregate of 78,365,466 Common Shares will be issued and outstanding, consisting of:

(a) Resulting Issuer Debentures convertible into up to 33,333,333 Common Shares;

(b) Resulting Issuer Warrants representing the right to acquire up to an aggregate of 33,330,000 Common Shares;

(c) options to purchase up to 720,000 Common Shares that were previously issued pursuant to the Stock Option Plan, as adjusted to reflect the Carlaw Stock Split;

(d) options to purchase up to 6,200,000 Common Shares to be issued on the Closing (as herein defined);

(e) Resulting Issuer QT Equity Compensation Options representing the right to acquire up to an aggregate of 2,448,800 Common Shares; and

(f) Resulting Issuer QT Debenture Compensation Options representing the right to acquire up to an aggregate of 2,333,333 Common Shares.

Natural MedCo QT Financings

On June 15, 2018, NMC completed the private placement of equity securities (the "**QT Equity Financings**") for aggregate gross proceeds of approximately $10,800,000 comprised of (i) a brokered private placement (the "**QT Brokered Financing**") of an aggregate 25,340,000 subscription receipts (the "**QT Subscription Receipts**") at a subscription price of $0.25 per QT Subscription Receipt; and (ii) a non-brokered private placement (the "**QT Non-Brokered Financing**") of 17,852,600 NMC Common Shares at a subscription price of $0.25 per NMC Common Share.

Each QT Subscription Receipt is convertible into one NMC Common Share upon satisfaction of the Release Conditions. Haywood Securities Inc. ("**Haywood**") and PI Financial Corp. (together with Haywood, the "**Co-Lead Agents**") acted as co-lead agents, together with Echelon Wealth Partners Inc. and INFOR Financial Inc., in connection with the QT Brokered Financing (collectively, the "**QT Agents**").

The gross proceeds of the QT Brokered Financing, less: (A) fifty percent of the QT Agents' cash commission (as described below); (B) certain expenses of the QT Agents; and (C) fifty percent of the gross proceeds of the QT Brokered Financing, which were paid to NMC net of 50% of the corporate finance fee described below and applicable taxes, have been deposited in escrow (such funds, collectively with all interest earned thereon, the "**Subscription Receipt Escrow Funds**") with TSX Trust Company (the "**Subscription Receipt Agent**") until the satisfaction of the following conditions (the "**Release Conditions**"):

(i) the completion or satisfaction of all conditions precedent to the Closing, excluding the conversion of the NMC Subscription Receipts, to the sole satisfaction of the Co-Lead Agents, on behalf of the QT Agents;

(ii) the receipt of all required shareholder and regulatory approvals, as applicable, for the Qualifying Transaction and the QT Brokered Financing, to the sole satisfaction of the Co-Lead Agents, on behalf of the QT Agents;

(iii) the receipt of all requisite regulatory approvals required in connection with: (A) the Qualifying Transaction; and (B) the conditional listing of the Common Shares (including the Common Shares underlying the Resulting Issuer QT Equity Compensation Options, or such equivalent securities as may be issued pursuant to the Qualifying Transaction);

(i) NMC shall have not committed any breach of the Agency Agreement that has not been cured within five days of NMC's receipt of written notice from the Co-Lead Agents, on behalf of the QT Agents, specifying in reasonable detail the nature of such breach; and

(iv) NMC and the Co-Lead Agents, on behalf of the QT Agents, shall have delivered a joint notice to the Subscription Receipt Agent confirming that (A) all regulatory and other approvals required in respect of the Qualifying Transaction have been obtained; and (B) all other Release Conditions have been met or waived.

At the effective time of the Closing, the NMC Common Shares will be exchanged for Common Shares without payment of any additional consideration or any further action on the part of the holders thereof.

In the event that the Release Conditions have not been satisfied or waived prior the date which is 120 days after the closing of the QT Brokered Financing, or NMC advises Haywood or announces to the public that it does not intend to satisfy the Release Conditions or that it is terminating the Amalgamation Agreement, the subscription funds shall be returned to the applicable holders of the QT Subscription Receipts together with their *pro rata* portion of any interest earned thereon, and such QT Subscription Receipts shall be automatically cancelled and be of no further force and effect. NMC will be responsible and liable to the holders of the QT Subscription Receipts for any shortfall between the aggregate issue price of such QT Subscription Receipts and the Subscription Receipt Escrow Funds.

In connection with the QT Brokered Financing, the QT Agents are entitled to receive a cash fee equal to 7% of the aggregate gross proceeds of the QT Brokered Financing and the QT Agents are entitled to receive such number of compensation options equal to 7% of the number of QT Subscription Receipts issued by NMC (each, a "**QT Equity Compensation Option**"), each being exercisable for one NMC Common Share at a price of $0.25 per share for a period of two years from the date the Escrow Release Conditions are satisfied. In connection with the Amalgamation, each QT Equity Compensation Option will be exchanged for one Resulting Issuer QT Equity Compensation Option. The QT Agents are also entitled to a corporate finance fee of $150,000 (plus applicable taxes) and an additional 675,000 QT Equity Compensation Options.

Concurrently with the closing of the QT Equity Financings, NMC completed a private placement (the "**QT Debenture Financing**", and collectively with the QT Equity Financings, the "**QT Financings**") of 10,000 debenture units (the "**QT Debenture Units**") for aggregate gross proceeds $10,000,000, each QT Debenture Unit consisting of (i) a $1,000 principal amount senior unsecured convertible debenture of NMC maturing two years from the date of issue and bearing interest at a rate of 10.0% per annum (the "**QT Debentures**"); and (ii) common share purchase warrants (each, a "**QT Warrant**") exercisable for up to 3,333 NMC Common Shares at an exercise price per share of $0.35 for a period of two years from the date of issue. The QT Debentures are convertible into that number of NMC Common Shares computed on the basis of the principal amount of the QT Debentures divided by the conversion price of $0.30 per share at the holder's option or upon mandatory conversion at the request of NMC in the event that at any time following four months plus one day following the Closing, for any ten consecutive trading days, the volume weighted average closing price of the Common Shares on the TSXV is greater than $0.60. With respect to a mandatory conversion at the request of NMC, the holder will also receive a cash payment equal to the additional interest amount that such holder would have received if it had held the QT Debentures for a period of one year from the date of conversion provided that such period shall not extend beyond the maturity date. The gross proceeds of the QT Debenture Financing are currently held in escrow with counsel to the purchaser of the QT Debenture Units pending satisfaction of release conditions substantially similar to the Release Conditions.

In connection with the Amalgamation, the QT Debentures and the QT Warrants will be exchanged for Resulting Issuer Debentures and Resulting Issuer Warrants, respectively, having substantially the same terms and maturing or expiring, as applicable, two years from the date the satisfaction of the release conditions applicable to the QT Debenture Financing.

In connection with certain financial advisory services provided by Haywood in connection with the QT Debenture Financing, Haywood will be entitled to receive a cash fee of $500,000 (plus applicable taxes) as well 2,333,333 compensation options (each, a "**QT Debenture Compensation Option**") each being exercisable for one NMC Common Share at a price of $0.30 per share for a period of two years from the date the Escrow Release Conditions are satisfied. In connection with the Amalgamation, each QT Debenture Compensation Option will be exchanged into one Resulting Issuer QT Debenture Compensation Option.

The Resulting Issuer intends to use the net proceeds from the QT Financings as described below under "Estimated Available Funds and Principal Purposes", including for the construction of facilities necessary for the production and processing of medicinal and, if and when legally permitted, recreational cannabis, including the partial completion of the Phase Two Expansion (as defined herein) and general and administrative purposes.

Interests of any Insider, Promoter or Control Person

The following is a summary of the interests of Insiders (as such term is defined in the policies of the TSXV) of Carlaw, and their respective Associates and Affiliates, before and after giving effect to the Amalgamation, and assuming the completion of the Carlaw Stock Split.

Insider, Promoter or Control Person (including Associates and Affiliates)	Position	Number (%) of Common Shares or NMC Shares prior to the Amalgamation	Number (%) of Common Shares upon Closing
Amar Bhalla[(1)]	Director, Chief Executive Officer, Chief Financial Officer	1,800,000 Common Shares (28.3%)	1,800,000 Common Shares (0.9%)
Ravi Sood	Director	100,000 Common Shares (1.6%) 1,615,914 NMC Common Shares (0.8%)	1,715,914 Common Shares (0.8%)
Richard Kimel	Director and Corporate Secretary	100,000 Common Shares (1.6%)	100,000 Common Shares (0.05%)

Note:
(1) Common Shares attributed to Mr. Bhalla are held by Mr. Bhalla's personal holding companies.

Arm's Length Transaction

The Amalgamation does not constitute a Non-Arm's Length Qualifying Transaction within the meaning of the CPC Policy.

Estimated Available Funds and Principal Purposes

Estimated Available Funds

Based on information available as at May 31, 2018, upon the Completion of the Qualifying Transaction, the Resulting Issuer is expected to have approximately $18,557,774 in Available Funds, which includes the following:

Estimated Funds Available	Amount ($)
Pro forma consolidated working capital as at March 31, 2018[(1)]	20,370,724
Estimated fees and expenses of the Qualifying Transaction[(2)]	(1,812,950)
Total Estimated Available Funds	18,557,774

Notes:
(1) Consolidated working capital is derived from the Pro Forma Financial Statements attached as Schedule E. Includes the gross proceeds from the QT Financings of $20,798,150.
(2) Estimated fees and expenses of the Qualifying Transaction are made up of (i) financing fees in the amount of $1,112,950 and (ii) estimated transactions costs of $700,000.

Principal Purposes of Funds

Based on information available as at May 31, 2018, the following table sets forth the principal purposes for which the estimated funds available to the Resulting Issuer upon Completion of the Qualifying Transaction and the current estimated amounts to be used for each such principal purpose:

Principal Use of Available Funds(1)	**Amount ($)**
Capital expenditures related to the Phase Two Expansion(2)	9,860,000
Operating expenses(3)	55,000
General and administrative corporate expenses(4)	4,300,000
Repayment of debt	72,000
Interest on Resulting Issuer Debentures	583,333
Unallocated working capital(5)	3,687,441
Total	18,557,774

Notes:

(1) Covers the 18 month period beginning May 31, 2018 assuming NMC does not obtain its Sales License during such time.

(2) NMC expects the first portion of the Phase Two Expansion to cost approximately $9,860,000. If NMC has additional funds available after obtaining its Sales License, or from available debt or equity financings, NMC intends to spend an additional $17,000,000 to complete the Phase Two Expansion. See "Risk Factors – Expansion of Facilities".

(3) The amount allocated to operating expenses does not assume the granting of the Sales License. Such amount is expected to increase once the Sales License is granted and production is increased to meet expected demand.

(4) Such expenses are expected to include general and administrative expenses as well as employee and third party advisory and consulting costs and fees relating to branding (including the re-branding of the business to "Eve & Co Incorporated"), brand and business expansion (including acquisitions), customer procurement, public and media relations and tradeshows. In addition, all salaries paid by the Resulting Issuer are included in such amount. Once the Sales License is granted, a portion of such salaries would be allocated to operating expenses.

(5) The unallocated working capital does not include expected positive cash inflows from operations.

Notwithstanding the foregoing, there may be circumstances where, for sound business reasons, a reallocation of funds is necessary in order for the Resulting Issuer to achieve its objectives as set out in this Filing Statement.

Selected Pro-Forma Consolidated Financial Information

The following table sets out certain financial information for Carlaw and NMC as at March 31, 2018 and January 31, 2018, respectively as well as the unaudited Pro Forma Financial Statements, after giving effect to the Qualifying Transaction and the QT Financings as if such events had occurred on March 31, 2018 for balance sheet purposes. Such information is derived from and should be read in conjunction with the Pro Forma Financial Statements and the notes thereto attached hereto at Schedule E.

Pro Forma Balance Sheet	NMC as at January 31, 2018 ($)	Carlaw as at March 31, 2018 ($)	Pro Forma Adjustments (1) ($)	Pro Forma Consolidated (1) ($)
Cash and cash equivalents	2,326,005	217,117	18,985,200	21,730,009
Other Current Assets	201,687	-	-	201,687
Non-current Assets	2,823,075	-	-	2,823,075
Total Assets	5,350,767	217,117	18,985,200	24,553,084
Current Liabilities	3,146,933	25,302	-	3,172,235
Non-current Liabilities	-	-	-	-
Total Liabilities	3,146,933	25,302	6,452,600	9,624,835
Shareholders' Equity	2,203,834	191,815	12,532,600	14,928,249

Note:
(1) Includes the gross proceeds from the QT Financings in the amount of $20,798,150 net of financing fees in the amount of $1,112,950 and estimated transactions costs of $700,000, resulting in net proceeds of $18,985,200.

Market for Securities and Market Price

The Common Shares are listed on the NEX under the trading symbol "CVC.H". The closing market price of the Common Shares on the last day on which there was a trade of Common Shares prior to the trading in such shares being halted on February 8, 2017 was $0.22. It is anticipated that the Common Shares will resume trading on the TSXV upon completion of the Amalgamation under the symbol "EVE" and Carlaw will changes its name to "Eve & Co Incorporated".

The NMC Shares are not listed on any stock exchange and there is currently no public market for NMC Shares.

Sponsorship

Sponsorship for the Qualifying Transaction is required by TSXV policies, unless an exemption is granted. The TSXV granted an exemption from the sponsorship requirements.

Conflicts of Interest

Some of the individuals proposed for appointment as directors or officers of the Resulting Issuer upon Closing are also directors, officers and/or Promoters of other reporting and non-reporting issuers. To the knowledge of the directors and officers of Carlaw and NMC, there are no existing conflicts of interest between the Resulting Issuer and any of the individuals proposed for appointment as directors or officers upon completion of the Amalgamation, as of the date of this Filing Statement.

Interests of Experts

Except as disclosed herein, no person or Company whose profession or business gives authority to a statement made by the person or Company and who is named as having prepared or certified a part of this

Filing Statement or prepared or certified a report or valuation described or included in this Filing Statement currently holds, directly or indirectly, more than 1% of the Common Shares or NMC Common Shares, or holds any property of Carlaw or NMC or of an Associate or Affiliate of Carlaw or NMC and no such person is expected to be elected, appointed or employed as director, senior officer or employee of Carlaw or NMC or of an Associate or Affiliate of the Resulting Issuer and no such person is a promoter of Carlaw or NMC or an Associate or Affiliate of Carlaw or NMC.

As of the date of this Filing Statement, MNP LLP, Chartered Professional Accountants, has reported that it is independent in accordance with the code of professional conduct of the Chartered Professional Accountants of Ontario with respect to Carlaw and NMC.

Conditional Listing Approval

The TSXV has conditionally approved the Amalgamation as the Qualifying Transaction for Carlaw subject to Carlaw fulfilling all the requirements of the TSXV on or before August 7, 2018.

Carlaw Meeting

On April 27, 2018, Carlaw held an annual and special meeting of its shareholders (the **"Shareholders"**) where the Shareholders approved resolutions in respect of the following matters in connection with, and subject to the completion of, the Amalgamation: (i) the election of the proposed directors of the Resulting Issuer; (ii) the appointment of MNP LLP as the auditor of the Resulting Issuer; (iii) the adoption of articles of amendment to effect the Carlaw Stock Split and to change the name of Carlaw; and (iv) amendments to the Option Plan, which will govern the stock options of the Resulting Issuer. The current directors of Carlaw do not intend to act upon the authority granted them under the foregoing resolutions if the Amalgamation is not completed.

Summary Risk Factors

The following is a summary of certain risk factors applicable to Carlaw, NMC and the Resulting Issuer. The risks presented in this Filing Statement should not be considered to be exhaustive and may not be all of the risks that the Resulting Issuer and NMC may face. See "Risk Factors".

Business and industry risks

- reliance on License (as defined herein)
- failure to obtain Sales License (as defined herein)
- expansion of facilities
- changes in laws, regulations and guidelines
- competition
- environmental regulations and risks
- limited operating history
- risks inherent in an agricultural business
- reliance on a single location
- third party transportation
- retention and acquisition of skilled personnel
- demand for product and negative consumer perception
- product liability
- product recalls
- results of future clinical trials
- insurance coverage
- regulatory or agency proceedings, investigations and audits

- litigation
- constraints on marketing products
- fraudulent or illegal activity by NMC's employees, contractors and consultants
- breaches of security at its facilities or in respect of electronic documents
- history of losses
- fluctuating prices of raw materials
- intellectual property

Financial and accounting risks

- access to capital
- estimates or judgments relating to critical accounting policies

Risks related to the Common Shares and Completion of the Qualifying Transaction

- market for the Common Shares
- no history of payment of cash dividends
- reporting issuer status
- significant sales of common shares
- analyst coverage
- tax issues
- the Completion of the Qualifying Transaction is subject to conditions precedent
- termination of the Definitive Agreement and Amalgamation Agreement
- potential undisclosed liabilities associated with the Amalgamation

The above risks, uncertainties, assumptions and other factors could cause Carlaw, NMC and the Resulting Issuer's actual results, performance, achievements and experience to differ materially from Carlaw and NMC's expectations, future results, performances or achievements expressed or implied by the forward-looking statements.

PART I – INFORMATION CONCERNING CARLAW

Unless otherwise indicated, all references to Common Shares contained in this Part I are calculated prior to completion of the Carlaw Stock Split.

Corporate Structure

Carlaw Capital V Corp.

Carlaw was incorporated pursuant to articles of incorporation dated June 6, 2014 under the OBCA. The full corporate name of Carlaw is "Carlaw Capital V Corp.". On October 17, 2014, Carlaw filed articles of amendment to delete share transfer restrictions contained within its articles.

On April 27, 2018, the Carlaw Meeting was held whereby the Shareholders approved special resolutions approving the adoption of articles of amendment to effect the Carlaw Stock Split and to change the name of Carlaw to such name as may be approved by the Board, which resolutions are anticipated to be effected on or about the date of the closing of the Qualifying Transaction. The current directors of Carlaw do not intend to act upon the authority granted them under the foregoing resolutions if the Amalgamation is not completed. It is currently expected that Carlaw's name will be changed to "Eve & Co Incorporated" on or about the date of the Closing.

The principal and registered office of Carlaw is located at 268 Royal York Road, 2nd Floor, Toronto, Ontario, M8V 2V9.

General Development of the Business

History

The Common Shares were listed for trading on the TSXV under the symbol "CVC.P" on February 5, 2015. On February 8, 2017, trading in the Common Shares was halted for failure to complete a Qualifying Transaction within 24 months of listing. Effective as of November 14, 2017, the Common Shares were transferred to the NEX board of the TSXV under the symbol "CVC.H". Carlaw is a CPC pursuant to the CPC Policy, and since its incorporation it has not carried on any business or operations other than identifying and evaluating business opportunities for the purposes of completing a Qualifying Transaction.

Selected Financial Information

Since incorporation, Carlaw has incurred the following costs in carrying out the IPO, in seeking, evaluating and negotiating potential Qualifying Transactions, and in meeting the disclosure obligations imposed upon it as a reporting issuer listed for trading on the TSXV and NEX.

The following tables set forth selected historical financial information for Carlaw for the years ended December 31, 2017 and 2016, and selected balance sheet data for such years and period. The Carlaw Financial Statements have been prepared in accordance with IFRS and are denominated in Canadian dollars. Such information is derived from the Carlaw Financial Statements and should be read in conjunction with such financial statements attached hereto as Schedule A.

Balance Sheet Data	As at March 31, 2018 ($)	As at December 31, 2017 ($)	As at December 31, 2016 ($)
Cash and cash equivalents	217,117	234,680	301,384
Total assets	217,117	234,680	301,384
Total liabilities	25,302	21,581	21,403
Shareholders' equity	191,815	(348,505)	279,981

Income Statement Data	3 month period ended March 31, 2018 ($)	12 month period ended December 31, 2017 ($)	12 month period ended December 31, 2016 ($)
Total income	Nil	Nil	Nil
Total expenses	21,284	102,882	102,821
Net loss	21,284	102,882	102,821

Management's Discussion and Analysis

The Carlaw MD&A for the years ended December 31, 2017 and 2016 and for the three month period ended March 31, 2018 are attached hereto as Schedule B and should be read in conjunction with the Carlaw Financial Statements attached hereto as Schedule A.

Description of the Securities

Carlaw is authorized to issue an unlimited number of Common Shares, of which 3,180,000 Common Shares are issued and outstanding as of the date hereof. In addition, 320,000 Common Shares are reserved for issuance under stock options granted to directors and officers and 40,000 Common Shares pursuant to charitable options. On April 27, 2018, the holders of Common Shares approved the Carlaw Stock Split.

The holders of Common Shares are entitled to dividends if, as and when declared by the board of directors of Carlaw (the "**Board**"), to receive notice of and one vote per Common Share at meetings of the shareholders of Carlaw and, upon liquidation, dissolution or winding up of Carlaw, to share rateably in such assets of Carlaw as are distributable to the holders of Common Shares. All Common Shares which are to be outstanding after Completion of the Qualifying Transaction will be fully paid and non-assessable.

This summary does not purport to be complete and reference is made to Carlaw's articles of incorporation, as amended, for a complete description of these securities and the full text of their provisions.

Stock Option Plan

Summary of Stock Option Plan

The policies of the TSXV provide that the Board may from time to time, in its discretion, and in accordance with TSXV requirements, grant to directors, officers, employees, management company employees and consultants of Carlaw and its affiliates, non-transferable options to purchase Common Shares for a period of up to ten years from the date of grant, provided that the number of Common Shares reserved for issuance may not exceed 10% of the total issued and outstanding Common Shares at the date of the grant.

The purpose of the incentive stock option plan (the **"Stock Option Plan"**) established by Carlaw, pursuant to which Carlaw may grant incentive stock options, is to promote the profitability and growth of Carlaw by facilitating the efforts of Carlaw to obtain and retain key individuals. The Stock Option Plan provides an incentive for and encourages ownership of the Common Shares by its key individuals so that they may increase their stake in Carlaw and benefit from increases in the value of the Common Shares. Pursuant to the Stock Option Plan, the maximum number of Common Shares reserved for issuance in any 12 month period to any one optionee other than a consultant may not exceed 5% of the issued and outstanding Common Shares at the date of the grant. The maximum number of Common Shares reserved for issuance in any 12 month period to any consultant may not exceed 2% of the issued and outstanding Common Shares at the date of the grant and the maximum number of Common Shares reserved for issuance in any 12 month period to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Common Shares at the date of the grant. Incentive stock options may be exercised until the greater of 12 months after the Completion of the Qualifying Transaction and 90 days following the date the optionee ceases to be a director, officer or employee of Carlaw or its Affiliates or a consultant or a management company employee, provided that if the cessation of such position or arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

In the event that Carlaw becomes listed on the Toronto Stock Exchange, the Stock Option Plan provides that the Board may grant options which allow an optionee to elect to exercise its option on a "cashless basis", whereby the optionee, instead of making a cash payment for the aggregate exercise price, shall be entitled to be issued such number of Common Shares equal to the number which results when: (i) the difference between the aggregate Fair Market Value of the Common Shares underlying the option and the aggregate exercise price of such option is divided by (ii) the Fair Market Value of each Common Share. "Fair Market Value" as defined in the Stock Option Plan means the closing price as reported by the Toronto Stock Exchange (in the event that Carlaw becomes listed on the Toronto Stock Exchange) on the last trading day immediately preceding the exercise date.

Notwithstanding the terms of the Stock Option Plan described above, the CPC Policy imposes certain restrictions on incentive stock options during the period that Carlaw remains a CPC. Such restrictions shall remain in place until the TSXV issues the Final Exchange Bulletin. Under the CPC Policy, Carlaw, while it remains a CPC, is limited to granting incentive stock options to only directors, officers and technical consultants of Carlaw. In addition, the total number of Common Shares reserved under option for issuance pursuant to the Stock Option Plan may not exceed 10% of the Common Shares outstanding as at the closing of the IPO. The maximum number of Common Shares reserved under option for issuance to any individual officer or director may not exceed 5% of the issued and outstanding Common Shares outstanding at the closing of the IPO. The maximum number of Common Shares reserved under option for issuance to all technical consultants may not exceed 2% of the issued and outstanding Common Shares to be outstanding after the closing of the IPO. In addition, while the Corporation is a CPC, it is prohibited from granting incentive stock options to any person providing investor relations activities, promotional or market making services. The exercise price per Common Share under any incentive stock option granted by the Corporation while it is a CPC may not be less than the greater of $0.10 and the Discounted Market Price (as defined under TSXV policies). Any Common Shares acquired pursuant to the exercise of incentive stock options prior to the Completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued.

As at the date of this Filing Statement, options to purchase 360,000 Common Shares are outstanding under the Stock Option Plan, representing approximately 10% of the issued and outstanding Common Shares.

At the Carlaw Meeting, Shareholders approved conditional upon Closing, an amended and restated Stock Option Plan providing for certain administrative clean-up items and removal of CPC specific provisions. The Stock Option Plan will remain substantially similar after it is amended and restated.

Stock Options Granted

As of the date of this Filing Statement, there are outstanding options to acquire an aggregate of 320,000 Common Shares as follows:

Name	Number of Common Shares Under Option(1)	Exercise Price of Common Share	Expiry Date
Amar Bhalla	200,000	$0.20	February 5, 2025
Ravi Sood	60,000	$0.20	February 5, 2025
Richard Kimel	60,000	$0.20	February 5, 2025
Total	**320,000**		

Note:

(1) In addition to the options granted under the Stock Option Plan, in accordance with the Exchange Policy 4.7, the Corporation granted a non-transferable option to the Toronto Foundation (the "**Charity**"), an eligible charitable organization, to purchase 40,000 Common Shares, exercisable at a price of $0.20 per share until the earlier of the date that is not more than ten years from the date of grant and the 90th day from the date that the Charity ceases to be an eligible charitable organization.

Prior Sales

Since the date of incorporation of Carlaw, 4,180,000 Common Shares have been issued as follows, of which 3,180,000 Common Shares are issued and outstanding as of the date of this Filing Statement:

Date Issued	Number of Shares	Issue Price per Share	Aggregate Issue Price	Nature of Consideration
June 6, 2014	2,000,000(1)(2)	$0.10	$200,000	Cash
February 5, 2015	2,000,000	$0.20	$400,000	Cash
February 4, 2017	180,000(3)	$0.20	$36,000	Cash

Notes:

(1) These shares were issued upon the incorporation of Carlaw and are subject to escrow restrictions in accordance with the CPC Policy.

(2) In connection with Carlaw's transfer to NEX, on November 8, 2017, an aggregate of 1,000,000 Common Shares held in escrow by certain non-arm's length parties were cancelled.

(3) On February 2, 2017, options to acquire 180,000 Common Shares that were issued to the IPO Agent in connection with the IPO were exercised.

Stock Exchange Price

On February 5, 2015, the Common Shares were listed on the TSXV under the symbol "CVC.P". On February 8, 2017, trading in the Common Shares was halted for failure to complete a Qualifying Transaction within 24 months of listing. On November 9, 2017, the Common Shares were listed on the NEX under the symbol "CVC.H". Trading remains halted as of the date of this Filing Statement. Upon completion of the Amalgamation, it is anticipated that the Common Shares will be listed on the TSXV under the symbol "EVE" and Carlaw will change its name to Eve & Co Incorporated.

The following table sets out trading information for the Common Shares on the TSXV for the periods indicated:

Period	High ($)	Low ($)	Volume
January 1, 2016 – March 31, 2016	0.07	0.05	75,000
April 1, 2016 – June 30, 2016	0.15	0.05	176,000
July 1, 2016 – September 30, 2016	0.20	0.10	50,000
October 1, 2016 – December 31, 2016	0.20	0.20	15,000
January 1, 2017 – February 7, 2017 (1)	0.22	0.22	10,000
February 8, 2017 - Current	N/A	N/A	Nil

Note:
(1) Trading in the Common Shares was halted on February 8, 2017 for failure to complete a Qualifying Transaction within 24 months of listing. Trading remains halted as of the date of this Filing Statement.

Arm's Length Party Transaction

The Amalgamation does not constitute a Non-Arm's Length Qualifying Transaction within the meaning of the CPC Policy.

Legal Proceedings

There are no legal proceedings material to Carlaw to which Carlaw is a party to or of which any of its property is the subject matter, and there are no such proceedings known to Carlaw to be contemplated.

Auditor, Transfer Agent And Registrar

The auditors of Carlaw are MNP LLP, Chartered Professional Accountants located at 111 Richmond St W #300, Toronto, Ontario, M5H 2G4. The transfer agent and registrar for the Common Shares is TSX Trust Company at its principal office at 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada, M5H 4H1.

Material Contracts

Carlaw has not entered into any material contracts and will not enter into any material contracts prior to the Completion of the Qualifying Transaction, other than:

1. the IPO Agency Agreement;
2. the CPC Escrow Agreement;
3. the Definitive Agreement; and
4. the Amalgamation Agreement.

Copies of these agreements are available for inspection at the registered office of Carlaw, at 268 Royal York Road, 2nd Floor, Toronto, Ontario, M8V 2V9, during ordinary business hours until the Completion of the Qualifying Transaction and for a period of 30 days thereafter.

PART II – INFORMATION CONCERNING NATURAL MEDCO

Corporate Structure

NMC is a private company incorporated on February 2, 2005 under the OBCA. The full corporate name of NMC is "1600978 Ontario Inc." and the company operates under the name "Natural MedCo". On November 21, 2017, NMC filed articles of amendment to reclassify its share capital as described in greater detail under "Description of Securities" below. On June 14, 2018, NMC filed articles of amendment to complete the NMC Stock Split. See "Capitalization of Natural MedCo" below for further details on the issued and outstanding securities of NMC.

The registered and head office of the NMC is located at 2941 Napperton Drive, Strathroy, Ontario, N7G 3H8. NMC is not a "reporting issuer" under applicable securities legislation and its securities are not listed for trading on any stock exchange. NMC has no subsidiaries.

Description of the Business

NMC is a Licensed Producer of medicinal cannabis under the ACMPR. NMC currently operates a 120,000 sq. ft. scalable greenhouse located in Middlesex County, Ontario and is authorized to store up to $31,250,000 in value of dried marijuana in its level nine vault.

NMC's cannabis business is focused on Canada. NMC is considering opportunities in emerging cannabis markets where medical and/or recreational cannabis is federally legal. Currently, NMC has entered into non-binding supply arrangements with various parties in Canada and an importer of medicinal cannabis products in Europe. NMC does not, directly or indirectly, have any business operations in jurisdictions where cannabis is not federally legal, such as the United States.

History of Natural MedCo

NMC's application to become a Licensed Producer under the MMPR was submitted to Health Canada on October 17, 2013. On July 22, 2016, NMC received its license to produce, possess, ship, transport, deliver and destroy dried marijuana and marijuana plants, including live clippings and seeds. NMC is now a Licensed Producer of dried marijuana and marijuana plants under the ACMPR. NMC's license currently does not contain a cap on production but is based on NMC storing no more than $31,250,000 in value of dried marijuana in its vault at any given time (the "**License**"). The License has a current term that ends on July 22, 2020. It is anticipated that Health Canada will extend or renew the License at the end of its current term. See "Risk Factors – Reliance on License".

NMC has applied for an amendment to the License to allow NMC to sell dried medicinal marijuana and plants to registered patients under the ACMPR and wholesale to other Licensed Producers (the "**Sales License**"). NMC has successfully completed the review and inspection process with Health Canada and is currently awaiting the issuance of its Sales License. NMC expects to receive authorization to commence sales in the second quarter of 2018. There are no mandated timelines in the ACMPR for the issuance of a sales license. See "Risk Factors – Failure to Obtain Sales License".

NMC also anticipates applying for authorization to extract cannabis oils under the ACMPR.

NMC's licensed cannabis production facility is currently comprised of a 120,000 sq. ft. scalable greenhouse production facility located on 32 acres of land in Middlesex County, Ontario. In November 2017, NMC commenced construction of a 100,000 sq. ft. expansion to its greenhouse (the "**Phase One Expansion**").

NMC expects to complete construction of the Phase One Expansion greenhouse in June 2018. See "Risk Factors – Expansion of Facilities".

On October 23, 2017, NMC entered into the Definitive Agreement with Carlaw with respect to the Qualifying Transaction that would result in a reverse takeover of Carlaw by the shareholders of NMC. On December 6, 2017, NMC completed a condition of the Definitive Agreement by completing a non-brokered private placement of approximately $5,000,000 through the issuance of an aggregate of 9,987,750 NMC Common Shares (the "**2017 Equity Financing**").

On May 28, 2018, NMC held an annual and special meeting of its shareholders at which its shareholders approved, among other things, the Amalgamation and the NMC Stock Split, the latter of which was effected on June 14, 2018.

On June 15, 2018, NMC completed the QT Brokered Financing of an aggregate of 25,340,000 QT Subscription Receipts at a subscription price of $0.25 per QT Subscription Receipt and the QT Non-Brokered Financing for an aggregate of 17,852,600 NMC Common Shares, collectively for aggregate gross proceeds of approximately $10,800,000. See "NMC QT Financings".

On June 15, 2018, NMC completed the QT Debenture Financing of an aggregate of 10,000 QT Debenture Units at an issue price of $1,000 per QT Debenture Unit and for gross proceeds of $10,000,000. See "NMC QT Financings".

Principal Products

Sativa and Indica are the two main types of cannabis plants, and hybrids can be created when the genetics of each of the two plants are crossed. Within these different types of cannabis plants there are many different varieties. Within each variety of medical cannabis there are many different cannabinoids, with the most common being tetrahydrocannabinol (THC) and cannabidiol (CBD), which is responsible for many of the non-psychoactive effects from medical cannabis. NMC currently grows approximately 30 strain varieties, which are predominantly Sativa / Indica blends, and include high THC strains, high level CBD strains, as well as 1:1 strains. NMC intends to continue to establish a variety of strains to best suit its customers' needs and to offer a full range of products to address an array of medical issues and recreational demands.

If and when NMC obtains the Sales License to permit the sale of plants and dried materials, NMC will be permitted to sell plants and dried materials and provide the same to:

(a) a registered patient of NMC or an individual who is responsible for the client;

(b) a hospital employee, if the purpose is in connection with their employment;

(c) another Licensed Producer;

(d) a licensed dealer;

(e) the Minister of Health; or

(f) a person to whom an exemption relating to the substance has been granted under section 56 of the CDSA.

NMC is also intending to create a niche within the Canadian cannabis market by paralleling the two-tier structure of vegetable and flower growing, whereby various producers specialize in producing plants at various stages of the life-cycle. As discussed in greater detail below, NMC believes it is uniquely positioned to produce seedlings and clone starter plants for both Licensed Producers and registered patients under the ACMPR.

NMC anticipates applying for authorization to extract cannabis oils under the ACMPR, and upon receiving its extraction license, NMC will begin offering cannabis oils.

Distribution

NMC intends to position itself as one of Canada's leading low-cost non-retail Licensed Producers focused on the cultivation of dried cannabis and live cannabis plants. NMC intends to leverage its position as a low-cost greenhouse producer to work with multiple re-sellers to capture a significant market segment. Such re-sellers may include Licensed Producers, public or private provincially licensed retailers, and other such entities as may be permitted to legally retail cannabis.

NMC's non-retail strategy will allow it to focus on developing cannabis-specific production and marketing competencies, such as cultivation and clone delivery systems. Management believes these competencies reflect greater barriers to entry than retail competencies, and therefore will have less competition from incumbents and new entrants as compared to retail operations.

NMC believes that as a cultivation focused non-retail Licensed Producer with greenhouse-based facilities, its streamlined cost structure will be competitive with that of other Licensed Producers.

Production

The production process begins in the growing area of NMC's greenhouse facilities, where the flowers are grown until ready for drying. Once the flowers have sufficiently dried, they are packaged and stored and are subject to quality control testing throughout that process. NMC's largest greenhouse is currently set up for flowering plant production with automatic watering and fertilization as well as total blackout shading for flower initiation.

NMC's facilities are also uniquely set up for plant production, putting them in an optimal position to produce seedling and clone starter plants with automated and modern production equipment. NMC's nursery areas are comprised of overhead watering booms which allow for consistent, uniform fan water spray and fertilizer application, mesh benches which allow for adequate airflow and under bench heating to maintain ideal root temperature, all of which provide the optimal conditions for producing rooted cuttings. As well, growing within a greenhouse will reduce the plant stresses and problem conditions associated with indoor production. NMC's plants will benefit from the natural light conditions in comparison to other non-greenhouse based Licensed Producers and thus are expected to be a higher quality product and more vigorous plant. Ms. Rombouts and NMC's agricultural team have extensive and unique experience in the production of rooted cuttings. NMC intends to use its growing experience to position itself as one of the primary producers of starter plants for the Canadian cannabis market.

Using NMC's starter plant products would benefit other Licensed Producers in the following ways:

- **Increased Profits** - NMC will seek to demonstrate to other Licensed Producers that by using its starter plants, they can increase their profits. The well-established two tier system used by flower and vegetable growers, which permits specialization between start plant producers and mature plant producers, is more profitable for both the grower and end user.

- **Increase Number of Harvests -** By purchasing starter plants, Licensed Producers could increase the number of harvests per year from 4 to 5 harvests per year, thereby potentially increasing their profit by approximately 20%.

- **Quick entry into the Market -** New Licensed Producers can enter the market up to two months earlier by starting with developed plants rather than from seed. In cases of plant failure or disease, established Licensed Producers can quickly replace non-proprietary crops by purchasing starter plants.

- **Dedicated Growing Areas -** When Licensed Producers use NMC's starter plants, there is no need to have a secondary area with separate lighting and growing configuration and the entire grow area can be used for finishing plants; thereby, again, increasing their final product, yield and profit. NMC also expects to offer advanced, older plants just entering the flower stage. This is expected to be a high demand product as it would give other Licensed Producers the advantage of producing a crop in a shorter time and again, not needing a secondary area for separate light conditions.

- **Access to Variety of Strains -** Health Canada has announced that Licensed Producers are to become the sole suppliers of starting plants and seeds to those growing under the ACMPR. NMC intends to grow a large number of strains and keep a reliable stock.

Drying

Drying and curing is a critical function to ensure product quality and shelf life. This stage requires monitoring because of the scale of NMC's operations. Because of the heat sensitivity of terpenes (active ingredients of cannabis), NMC has emphasized low-temperature, air drying.

In drying the medical cannabis, NMC intends to avoid allowing the flowers to dry too quickly; however, sometimes leaving flowers out to dry does not remove the water from the plant material quickly enough. The longer the flowers take to dry, the higher the chances of mold contamination on the flowers. NMC intends to balance these factors with the goal of achieving optimal moisture levels. NMC intends to provide customers with a product having a consistent moisture content.

Packaging

On the issuance of the Sales License and the commencement of sales, NMC will comply with the prescribed labelling requirements which vary depending on the product type. Initially, dried cannabis and live plants will be sold or provided by NMC in accordance with the ACMPR. Upon the implementation of the proposed recreational market, NMC will be required to comply with the requirements under the proposed *Cannabis Act*; see "Market for Recreational Cannabis".

Storage

Storage is a very important aspect of maintaining the integrity and quality of cannabis. The environment needs to be controlled. NMC is sensitive to the environmental risks that threaten the product and stores its finished product in a vault with full control over the environment, including heat, light, temperature and humidity. Deterioration is usually a result of dehydration arising from one of these environmental concerns. NMC's ability to control aspects of the environment within the storage facility will assist NMC in upholding the quality of its products.

Quality Control

NMC understands the importance placed upon adhering to the "Good Production Practices" which are mandated by the ACMPR. These practices relate to the premises, storage of dried cannabis, equipment, sanitation program, standard operating procedures, recall of product, and quality assurance personnel. NMC currently employs a quality assurance person with appropriate training, experience, and technical knowledge to approve the quality of NMC's products.

In accordance with Section 73 of the ACMPR, all of NMC's quality control and sanitation procedures have been outlined for all personnel as standard operating procedures. New employees undergo a training program in which they are taught the appropriate implementation of these protocols.

For the purposes of quality control, NMC will track each "lot" (a specific genotype of medical cannabis that is initiated for production at one time, either by seed or clonal propagation) using a lot number, which will be used to track lot quality control and once applicable, sales, in NMC's tracking software. Furthermore, the lot number will be used in all sales transactions, and as such will serve as an identifier to rapidly initiate recall reporting as outlined in Section 77 of the ACMPR.

During its quality control process, NMC will screen and monitor a number of variables in accordance with ACMPR requirements and will use third-party laboratories accredited by Health Canada for portions of this process. Only products that pass the tests in NMC's quality control process will be offered for sale. Final dried cannabis that passes quality control will be sealed in vacuum bags and stored within the vault located at NMC's production site.

Raw Materials and Components

The main raw materials or components used in the production of NMC's products are water, fertilizer, growing medium and electricity. Water for NMC's operations is obtained from three drilled wells on its property but to ensure the potability of the water, the water supply is tested for microbial contamination regularly using a commercial water testing service.

Operations

NMC has assembled a management team with almost 60 years of combined experience in agriculture and agribusiness. Coupled with operational experience, NMC expects to be a low-cost producer of medical cannabis, owing to various cost-saving attributes of its operations, such as: (i) lower electrical costs as a result of the use of natural sunlight in its greenhouse facilities and the ability to leverage the advantages of passive cooling methods; and (ii) lower fertilization costs attributable to the fact that NMC mixes its own fertilizer. NMC is currently growing in its 120,000 sq. feet of greenhouse space across 10 light and computer controlled poly greenhouses located Middlesex County, Ontario.

It is expected that initially substantially all of NMC's revenue will be derived from the sale of medical cannabis plants and flowers produced, cultivated and/or processed by NMC at its greenhouse facilities in Middlesex County, Ontario. NMC grows cannabis at its greenhouse for the purposes of sale and distribution of finished products in accordance with the ACMPR. NMC's current plants are at various stages of growth.

If and when legally permitted, NMC also intends to deliver dried cannabis and cannabis products to retailers authorized to sell recreational cannabis. See "Market for Recreational Cannabis" below for further details.

Facility

NMC's licensed cannabis production facility is currently comprised of a 120,000 sq. ft. scalable greenhouse production facility located on 32 acres of land in Middlesex County, Ontario. NMC expects to complete construction of the 100,000 sq. ft. Phase One Expansion in June 2018. See "Risk Factors – Expansion of Facilities".

The building is equipped with a misting odour control system that has been outfitted with appropriate filters to ensure no pollen, odors, or other particles escape. Furthermore, the ventilation system ducts, openings and passthrough have been barricaded with welded steel frames to prevent unauthorized access. The roof ventilation system of the greenhouse is fitted with optic laser sensors for additional security.

NMC is proposing to use the funds from the QT Financings to, among other things, construct a 780,000 sq. ft. expansion to its greenhouse (the "**Phase Two Expansion**"). NMC commenced construction of the Phase Two Expansion in June 2018 with the excavation of the building site. The construction of the building structure is expected to commence in June 2018, with a scheduled completion in March 2019. From August to January 2019, NMC expects to commence and complete the installation of the electrical, shading, automation, irrigation, heating and lighting systems for the Phase Two Expansion. See "Risk Factors – Expansion of Facilities".

The land on which the greenhouse facility is situated is subject to an option (the "**Real Estate Option Agreement**") to purchase held by Ms. Rombouts and Mr. Burch. Upon exercise of the option and the payment of $976,000, the option holders must immediately grant to NMC a lease over the land, with such lease: (i) being for a term of 20 years, with four 5-year renewals; (ii) having monthly net rent not exceeding $6,100 throughout the term and renewals; (iii) having such terms and conditions that are in form and substance satisfactory to NMC and the Resulting Issuer, acting reasonably; and (iv) having no terms or conditions that are materially unusual or adverse to NMC in the opinion of the board of directors of the Resulting Issuer, acting reasonably. The option may not be exercised, however, until NMC obtains all requisite regulatory approvals required for a change of ownership of the land, as may be required from time to time by Health Canada.

Security

Subdivision C of the ACMPR sets out physical security requirements that are necessary to secure sites where Licensed Producers conduct activities with medical cannabis other than storage. As per Health Canada's regulations, NMC's facilities contain one vault, deemed to be "security level nine" as determined by the construction of the vault and NMC's proximity to a major city (i.e., London, Ontario). This allows NMC to store up to $31,250,000 in value of dried marijuana on site at any given time.

The vault is equipped with security cameras, motion sensors, code locked doors and seismic sensors that set alarms off when vibrations are detected. These security measures ensure NMC is compliant with all of Health Canada's necessary security requirements. The vault can only be accessed by a "Responsible Person in Charge" (as defined under the ACMPR) and at least one Responsible Person in Charge must be present in the vault at all times if the doors are opened.

Health Canada conducts *ad hoc*, unscheduled site inspections of Licensed Producers. NMC has experienced these inspections numerous times, previously on a bi-monthly basis but now on a quarterly basis. NMC has responded to and complied with all requests from Health Canada within the time frames indicated in such requests. As of the date hereof, there are no outstanding inspection issues with Health Canada beyond day-to-day adjustments that may occur in order to ensure ongoing compliance.

Moreover, security of the product during transportation to and from the NMC's facilities is critical due to the nature of the product. A breach of security during transport could have material adverse effects on NMC's business, financials and prospects. Any such breach could impact NMC's ability to continue operating under its License or the prospect of renewing its License.

Seasonality

Although its medical cannabis plants are grown in indoor greenhouses and can be harvested year round, NMC expects that production yields are impacted by planting, growing and harvesting cycles. For example, in winter months, NMC expects to rely more on indoor lighting and achieve lower yields than in the summer months when sunlight is more ample.

Special Skills and Knowledge

Knowledge with respect to cultivating and growing medical cannabis is important to the medical cannabis industry. The nature of growing cannabis is not substantially different from the nature of growing other greenhouse products. Melinda Rombouts, NMC's President and Chief Executive Officer has significant experience in greenhouse growing technology as well as a Bachelor of Science with a specialization in Plant Biology from the University of Waterloo.

NMC is committed to dedicating resources and personnel with the requisite expertise to meet its objectives. The loss of any member of NMC's management team could have a negative impact on its business and results of operations. In addition, an inability to hire, or the increased costs of new personnel, including members of executive management, could have a material adverse effect on the NMC's business and operating results. At present and for the near future, NMC will depend upon certain employees to develop, market, sell, grow and support its products. The expansion, marketing and sales of its products will require NMC to find, hire and retain additional capable employees who can understand, explain, market and sell its products.

Competitive Conditions

The market for medical cannabis in Canada is tightly controlled by and subject to strict regulation, including pursuant to the ACMPR, the Narcotic Control Regulations and the CDSA. The medical cannabis industry is a new industry in Canada and NMC anticipates that such regulations will be subject to change as the federal government monitors Licensed Producers in action.

With respect to the supply of medicinal or recreational cannabis, NMC believes that it will face competition from the following sources:

(i) Licensed Producers

NMC expects that it will face intense competition from other Licensed Producers, some of which have longer operating histories and more financial resources and manufacturing and marketing experience than NMC. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of NMC.

In order to mitigate this intense competition, NMC expects to dedicate significant resources to hiring consultants and employees to provide services related to the development of its business, including branding (including the re-branding of the business to "Eve & Co Incorporated"), brand and business expansion (including acquisitions), customer procurement, public and media relations and tradeshows. See "Part III – Information Concerning the Resulting Issuer, Principal Purposes of Funds". However, to remain competitive, NMC will require a continued level of investment in such business development activities and NMC may not have sufficient resources to expenses on a competitive basis which could materially and adversely affect the business, financial condition and results of operations of NMC.

Health Canada has only issued to date a limited number of licenses under the ACMPR to produce and sell medical cannabis. There are, however, several hundred applicants for licenses. The number of licenses granted could have an impact on the operations of NMC. Because of the early stage of the industry in which NMC operates, NMC expects to face additional competition from new entrants. According to Health Canada, as of May 31, 2018 there are 105 Licensed Producers, 57 of which are in Ontario. If the number of users of medical cannabis in Canada increases, the demand for products will increase and NMC expects that competition will become more intense, as current and future competitors begin to offer an increasing number of diversified products.

The principal aspects of competition between NMC and its competitors will include the price and quality of cannabis. While NMC expects to price its cannabis products according to market demands, it anticipates a lower cost of production compared to many of its competitors. This is expected to provide NMC with pricing flexibility while maintaining healthy margins relative to its competitors. NMC also plans to maintain a minimum level of inventory to ensure that it can provide its prospective customers with unmatched quality on a consistent basis while also acquiring new customers without supply interruptions.

Currently, only a limited number of Licensed Producers are advertising the sale of clones to other Licensed Producers. NMC believes that operating in and expanding this niche of the market will protect it against certain competitive pressures in the Canadian cannabis market. NMC expects its competition in this segment to be primarily derived from the ability of Licensed Producers to produce their own starter materials, and from other Licensed Producers emulating NMC's business model.

(ii) Cannabis Retailers

On October 19, 2015, the Liberal Party of Canada obtained a majority government in Canada and has committed to the legalization of recreational cannabis in Canada. See "Market for Recreational Cannabis" below for more information on Bill C-45, which proposes the enactment of the *Cannabis Act*, to regulate the production, distribution and sale of cannabis for unqualified adult use, with a target implementation of the summer of 2018. However, it is unknown if this regulatory change will be implemented in the currently proposed form at all.

The introduction of a recreational model for cannabis production and distribution may impact the medical cannabis market as certain registered patients may begin purchasing cannabis through retail stores authorized to sell recreational product.

NMC believes that retail competition will be significant in provinces that allow for privately owned retail stores and that existing large retailers will enter the cannabis retail market. NMC does not plan on initially competing in the retail market.

(iii) Homegrown cannabis producers

Under the ACMPR, patients can register with Health Canada to produce a limited amount of cannabis for their own medical purposes or they can designate someone else to produce it. In addition, Bill C-45 will allow for adults to legally grow up to four cannabis plants for personal use. NMC believes that competition from homegrown cannabis will be minimal and that it will not have a significant impact on market demand for cannabis flower or products.

Employees

As of May 31, 2018, NMC employed 29 full-time employees and 6 part-time employees.

Intellectual Property

NMC has not registered any intellectual property protections. Certain key employees of NMC have entered into confidentiality agreements and intellectual property assignment agreements with NMC with respect to NMC's unregistered intellectual property.

Legal and Administrative Proceedings

In the ordinary course of business, NMC may be subject to certain contingent liabilities with respect to potential claims, lawsuits and other proceedings, including those involving tax, social security, labour lawsuits and other matters. NMC will accrue liabilities when it is probable that future costs will be incurred and such costs can be reasonably estimated. There are no material proceedings currently pending against NMC.

Industry Information and Trends

The ACMPR sets out the process that patients are required to follow to obtain authorization from Health Canada to grow or obtain cannabis and to acquire seeds or plants from Licensed Producers to grow their own cannabis. Under the ACMPR, patients have three options for obtaining cannabis:

(a) they can continue to access quality-controlled cannabis by registering with Licensed Producers;

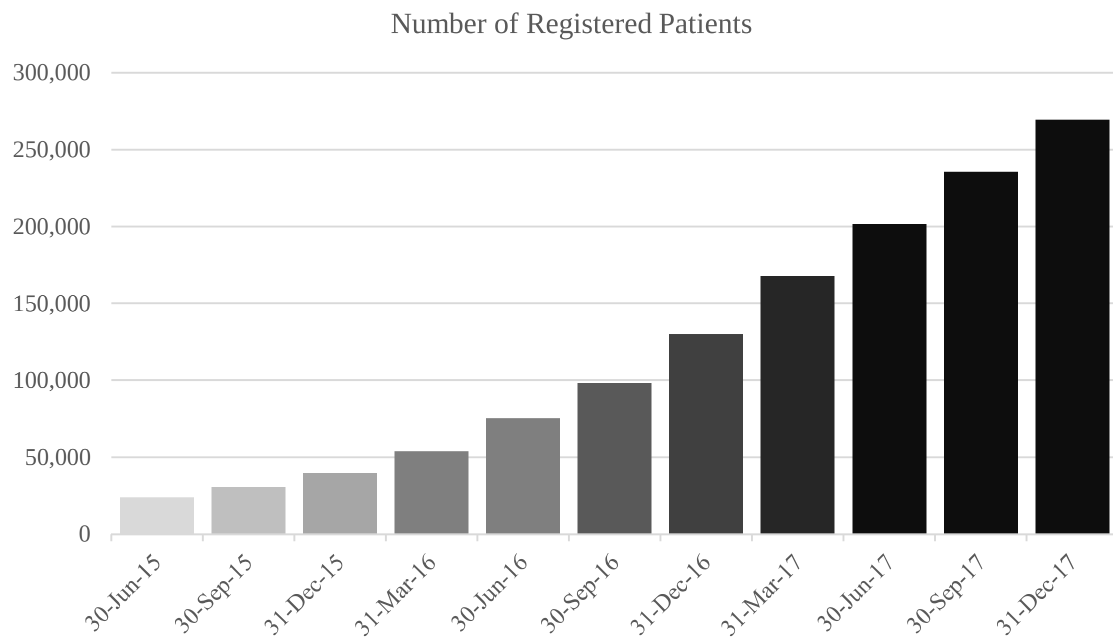
(b) they can register with Health Canada to produce a limited amount of cannabis for their own medical purposes; or

(c) they can designate someone else to produce it for them.

With respect to (a), Canadian individuals may obtain a medical document (akin to a prescription) for medical cannabis from a health care practitioner (as defined in the ACMPR but primarily doctors) and then directly submit that prescription to any Licensed Producer for fulfillment. The individual must submit a medical document and other accompanying personal information to the Licensed Producer before the Licensed Producer registers the individual as a client. Once registered, the client can go online to the Licensed Producer's web-site and order securely through the site. Currently, the ACMPR only allows for the direct shipping of medical cannabis to the client's residence or shipping address, or to a caretaker or medical professional on behalf of a patient. This is done in order to track shipments of medical cannabis to the end user. The ACMPR also includes provisions permitting the personal production of medical cannabis.

With respect to (b) and (c), starting materials, such as plants or seeds, must be obtained from Licensed Producers. It is possible that (b) and (c) could significantly reduce the addressable market for NMC's products and could materially and adversely affect the business, financial condition and results of operations of NMC. That said, management of NMC believes that many patients may be deterred from opting to proceed with options (b) or (c) since such steps require applying for and obtaining registration from Health Canada to grow cannabis, as well as the up-front costs of obtaining equipment and materials to produce such cannabis.

According to data collected and reported by Health Canada, as of December 31, 2017, there are 269,502 registered patients (or "clients") under the ACMPR. During the month of December 2017, those individuals received 114,928 shipments of cannabis and cannabis related products from Licensed Producers. As a result, NMC has identified a market opportunity to supply licensees to meet their patients' demand in cases where such demand exceeds the licensee's internal supply. According to statistics published by Health Canada on its website, the number of registered patients under the ACMPR has increased over time as follows:



The number of registered patients under the ACMPR may not represent the total market size of potential purchasers as certain patients that may benefit from the use of medical cannabis may have limited knowledge, access and/or ability to go through the registration process to become registered under the ACMPR. NMC intends to focus on selling directly to other Licensed Producers, many of whom will then derive demand for their product from the medicinal and/or the prospective unrestricted adult use markets.

Market for Recreational Cannabis

On December 13, 2016, the Task Force on Cannabis Legalization and Regulation (the "**Task Force**"), which was established by the Canadian Federal Government to seek input on the design of a new system to legalize, strictly regulate and restrict access to marijuana, completed its review and published its report outlining its recommendations. On April 13, 2017, the Canadian Federal Government released Bill C-45, which proposes the enactment of the *Cannabis Act*, to regulate the production, distribution and sale of cannabis for unqualified adult use, with a target implementation date of late summer of 2018. However, it is unknown if this regulatory change will be implemented in the currently proposed form at all.

The following is intended to be of a summary nature, and the full text of Bill C-45 should be referred to for complete details with respect to the proposed legalization of recreational cannabis in Canada.

(i) The Market for Recreational Cannabis

The effect of Bill C-45, should it be passed into law, would be the creation of a market for recreational cannabis in Canada. Bill C-45 would allow all Canadians over the age of 18, subject to additional age limits imposed by provincial governments, to purchase cannabis by mail and in provincially regulated retail spaces. Individuals would also be permitted to grow up to four plants in their residence. The possession limit of dried cannabis would be set at 30 grams. Bill C-45 does not provide for the regulation of edible cannabis products, and it is expected that such products will be regulated and legalized at a later date.

The effect of Bill C-45, should it be passed into law, would be the creation of a market for recreational cannabis in Canada. Bill C-45 would significantly expand the class of individuals who are legally permitted to purchase and consume cannabis in Canada.

Currently, it is illegal to buy, sell, produce, import or export cannabis unless it is authorized under the CDSA and its regulations, such as the ACMPR. The current program for access to cannabis for medical purposes would continue following the passage of Bill C-45. The sale of recreational cannabis will remain illegal as Bill C-45 moves through the legislative process.

(ii) Production

The production of cannabis in Canada will continue to be highly-regulated and subject to numerous controls and regulations. Part 3 of Bill C-45 provides for the establishment of the legal framework for licenses and permits that will govern the importation, exportation, production, testing, packaging, labelling, sending, delivery, transportation, sale, possession or disposal of cannabis or any class of cannabis. Section 61 of Bill C-45 provides the government with the power to establish a framework for applications for such licenses and permits. Part 12 of Bill C-45 provides transitional provisions with respect to applications for licenses submitted under the MMPR and ACMPR. Applications submitted under the ACMPR will continue to be processed under the ACMPR as Bill C-45 moves through the legislative process.

Following the coming into force of Bill C-45, it is anticipated that the Canadian Federal Government will continue to develop and publish regulations to permit the production and sale of additional cannabis products such as edible products which will be initially prohibited.

(iii) Distribution

Under Bill C-45, the provinces and territories would authorize and oversee the distribution and sale of cannabis, subject to minimum federal conditions. In those jurisdictions that have not put in place a regulated retail framework, individuals would be able to purchase cannabis online from a federally Licensed Producer with secure home delivery through the mail or by courier. As a result, under Bill C-45 the distribution of cannabis will vary from province to province and territory to territory in Canada, and will be regulated at the provincial or territorial level.

(iv) Advertising and Promotions

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

In particular, Division 2 of Bill C-45 provides for broad restrictions on the promotion, packaging and labelling, display, and sale and distribution of cannabis and cannabis accessories. Under Bill C-45, the promotion, packaging and labelling, display and sale and distribution of cannabis and cannabis accessories will be strictly controlled to prevent persons under the age of 18 from being exposed to such activities and to prevent the encouragement of consumption of cannabis. As such, under Bill C-45 the promotion, packaging and labelling, display and sale and distribution of cannabis and cannabis accessories will take place in a highly regulated environment which will restrict persons to brand and market their products in a manner consistent with other industries which are subject to such controls.

There can be no assurance Bill C-45 will become law or, if enacted, will be enacted in the form introduced on April 13, 2017.

Marketing Plans and Strategies

NMC has initially positioned itself to focus on a business-to-business, or B2B, sales model intended to provide dried cannabis flower, dried cannabis trim and live plants to other Licensed Producers, and if and when permitted by law, international distributors and provincial licensed retailers. This business model is intended to allow NMC to focus on developing its skills and competencies for low-cost and efficient cannabis cultivation at scale without having to build expertise in retailing. In addition, this business model allows NMC to distribute retail risk, mitigate the risk of regulatory change in the nature of retailing cannabis and/or entities permitted to do so, and permits NMC to continue to seek to maximize pricing power.

This sales model is in line with management's belief that Licensed Producers are unlikely to be dominant retailers over time. Management believes retail represents significant risk from regulatory change and new entrants. With respect to the former, Bill C-45 provides provinces with the ability to create provincial sales regulations. To date numerous provinces have proposed legislation preventing Licensed Producers from retailing recreational cannabis. Furthermore, in jurisdictions where private retailing will be permitted, it is not apparent that Licensed Producers have any regulatory advantage in obtaining retail licensing. With respect to new entrants, management believes new entrants may focus on retail-only operations for both medical and recreational sales, increasing pressure on the competitiveness of vertically integrated Licensed Producers.

NMC expects to dedicate significant resources to hiring consultants and employees to provide services related to branding (including the re-branding of the business to "Eve & Co Incorporated"), brand and business expansion (including acquisitions), customer procurement, public and media relations and tradeshows. See "Part III – Information Concerning the Resulting Issuer, Principal Purposes of Funds".

Pricing Strategy

Health Canada does not currently regulate the price of medical cannabis under the ACMPR. It is up to Licensed Producers to set the price of their respective products. Pricing will depend on general factors including, but not limited to, the number of licenses granted by Health Canada and the supply such licensees are able to generate and the number of patients who gain physician approval to purchase medical cannabis. NMC expects that evolving regulatory and market conditions, including taxation policies, will impact its pricing strategy. See "Risk Factors – Changes in Laws, Regulations and Guidelines" and "Risk Factors – Fluctuating Prices of Raw Materials".

Selected Consolidated Financial Information

The following tables set forth selected historical financial information for NMC for years ended October 31, 2016 and 2017 and for the three month period ended January 31, 2018. The NMC Financial Statements have been prepared in accordance with IFRS and are denominated in Canadian dollars. Such information is derived from the NMC Financial Statements and should be read in conjunction with such financial statements hereto as Schedule C.

Balance Sheet Data	As at January 31, 2018 ($)	As at October 31, 2017 ($)	As at October 31, 2016 ($)
Cash and cash equivalents	2,326,005	91,400	6,946
Total assets	5,350,767	2,067,680	1,609,372
Total liabilities	3,146,933	4,254,921	2,555,579
Shareholders' equity	2,203,834	(2,187,241)	(946,207)

Income Statement Data	3 month period ended January 31, 2018 ($)	12 month period ended October 31, 2017 ($)	12 month period ended October 31, 2016 ($)
Total income	-	-	-
Total expenses	602,800	1,241,034	370,132
Net income (loss)	(602,800)	(1,241,034)	(370,132)

Management's Discussion and Analysis

The NMC MD&A for the years ended October 31, 2016 and 2017, and for the three month period ended January 31, 2018 is attached as Schedule D and should be read in conjunction with the NMC Financial Statements attached hereto as Schedule C.

Description of the Securities

On November 21, 2017, NMC filed articles of amendment to reclassify its existing share capital by (i) creating the NMC Common Shares as a new class of shares; (ii) exchanging the issued and outstanding 720 Class A common shares for 42,000,000 NMC Common Shares on the basis of 58,333.3333 NMC Common Shares for each existing Class A common share; (iii) exchanging the issued and outstanding 480 Class B common shares for 28,000,000 NMC Common Shares on the basis of 58,333.3333 NMC Common Shares for each existing Class B common share; (iv) amending the rights of the existing NMC Class C Shares; and (v) changing the reference to the authorized capital of NMC to provide for the maximum authorized share capital to consist of an unlimited number of NMC Common Shares and an unlimited number of NMC Class C Shares.

On June 14, 2018, NMC filed articles of amendment to effect the NMC Stock Split.

As of the date of this Filing Statement, NMC is authorized to issue an unlimited number of NMC Common Shares, of which 179,444,014 are outstanding, and an unlimited number of NMC Class C Shares, of which 976,000 are outstanding.

Natural MedCo Common Shares

Each of the NMC Common Shares is entitled to one vote per share. Subject to the rights of the NMC Class C Shares, each of the NMC Common Shares is entitled to receive an equal share of any dividends and distributions (whether payable in cash or otherwise) as may be declared on the NMC Common Shares from time to time. Subject to the rights of the NMC Class C Shares, each of the NMC Common Shares is entitled, in the event of any liquidation, dissolution or winding-up of NMC (whether voluntary or involuntary), to receive in equal amounts per share, the assets of NMC available for liquidation.

Natural MedCo Class C Shares

The holders of NMC Class C Shares are not entitled (except as required by law) to vote at any meeting of the shareholders of NMC. Each of the NMC Class C Shares is entitled to receive a cumulative dividend, if as and when declared by the NMC board of directors, at a rate not to exceed the "Prescribed Rate of Interest" as set by the Canada Revenue Agency at the time the Class C Shares were issued, calculated on the Redemption Amount per Class C Share (as defined hereinafter). Subject to applicable law, NMC may redeem the whole or any part of the outstanding Class C Shares upon payment of $1.00 (the "**Redemption Amount**") for each Class C Share so redeemed, together with an amount equal to all declared and unpaid dividends. The holders of the Class C Shares may also require NMC to redeem all or any part of the Class C Shares at the Redemption Amount, together with an amount equal to all declared and unpaid dividends. Each of the NMC Class C Shares is entitled to receive any payment or to otherwise participate in the distribution of the surplus assets of NMC on its liquidation, up to Redemption Amount, together with an amount equal to all declared and unpaid dividends.

Capitalization of Natural MedCo

The share capital of NMC as at January 31, 2018 and as at June 15, 2018 is as follows:

Designation of Security	Amount Authorized	Amount Outstanding as at January 31, 2018	Amount Outstanding as at June 15, 2018 (after giving effect to the QT Financings and prior to giving effect to the Qualifying Transaction)
NMC Common Shares	Unlimited	161,591,414	179,444,014
NMC Class C Shares(1)	Unlimited	976,000	976,000
QT Subscription Receipts	25,340,000	Nil	25,340,000
QT Debentures	$10,000,000 of principal	Nil	$10,000,000 of principal
QT Warrants	33,330,000	Nil	33,330,000
QT Equity Compensation Options	2,448,800	Nil	2,448,800
QT Debenture Compensation Options	2,333,333	Nil	2,333,333

Notes:
(1) The NMC Class C Shares are to be cancelled in accordance with the Amalgamation Agreement.

Prior Sales of Securities of Natural MedCo

The following table sets forth the number and price at which securities of NMC have been sold within the 12 months period prior to the date of this Filing Statement.

Date	Number of NMC Securities	Type	Issue Price Per Share	Aggregate Issue Price	Nature of Consideration Received
November 21, 2017 to December 6, 2017	15,520,000(1)	NMC Common Shares	$0.25(1)	$3,880,000	Cash

Date	Number of NMC Securities	Type	Issue Price Per Share	Aggregate Issue Price	Nature of Consideration Received
November 21, 2017	4,455,500(1)	NMC Common Shares	$0.25(1)	$1,113,875	Debt settlement
April 27, 2018(2)	1,615,914	NMC Common Shares	$0.25(1)	$400,000	Services
June 15, 2018(3)	25,340,000	QT Subscription Receipts	$0.25	$6,335,000	Cash
June 15, 2018(4)	17,852,600	NMC Common Shares	$0.25	$4,463,150	Cash
June 15, 2018(5)	10,000	QT Debenture Units	$1,000	$10,000,000	Cash

Notes:

(1) Such NMC Common Shares were issued in connection with the 2017 Equity Financing. The number and issue price per share for such NMC Common Shares was adjusted to reflect the NMC Stock Split. If NMC does not complete an initial public offering, reverse-takeover or similar go-public transaction by June 30, 2018, certain subscribers under the 2017 Equity Financing will be entitled to receive an additional 1,552,000 NMC Common Shares for no additional consideration.

(2) In accordance with an agreement dated October 23, 2017, Mr. Sood's consulting company provided NMC with various consulting services, including capital markets advisory services, various business advisory services, including with respect to NMC's ongoing re-branding and other strategic advice. NMC became obligated to issue such NMC Common Shares to Mr. Sood upon the completion of 2017 Equity Financing. The issuance of Common Shares by the Resulting Issuer in exchange for such shares held by Mr. Sood, in accordance with the Amalgamation, remains subject to the approval of the majority of disinterested Shareholders.

(3) Such QT Subscription Receipts were issued in connection with the QT Brokered Financing. Each QT Subscription Receipt is convertible into one NMC Common Share.

(4) Such NMC Common Shares were issued in connection with the QT Non-Brokered Financing.

(5) Such QT Debenture Units were issued in connection with the QT Debenture Financing. Each QT Debenture Unit consists of (i) a $1,000 principal amount of senior unsecured convertible QT Debenture; and (ii) QT Warrants exercisable for up to 3,333 NMC Common Shares at an exercise price per share of $0.35 for a period of two years from the date of issue.

Executive Compensation

Compensation Philosophy and Objectives

The objectives of NMC's executive compensation policy are: (a) to attract and retain individuals of high calibre to serve as officers of NMC; (b) to motivate their performance in order to achieve NMC's strategic objectives; and (c) to align the interests of executive officers with the long-term interests of NMC shareholders.

The board of directors, on the recommendation of management, of NMC is responsible for setting the overall compensation strategy of NMC and evaluating and making determinations for the compensation of its directors and executive officers. The board of directors, on the recommendation of management, annually reviews and determines base salary.

Each executive officer receives a base salary. NMC intends to offer its employees (including its executive officers) group benefit plans, including medical, dental, life, and accidental death and dismemberment coverage.

While NMC reimburses its executive officers for expenses incurred in the course of performing their duties as executive officers of NMC, NMC has not provided any compensation that would be considered a perquisite or personal benefit to its executive officers.

NMC has no stock option or other equity-based incentive compensation plan.

Summary Compensation Table

The following table sets out information concerning the compensation for the fiscal years ending on October 31, 2017, 2016 and 2015 by NMC's President and Chief Executive Officer. NMC has two executive officers for whom disclosure is required for such periods (the "**NMC Named Executive Officer**").

Name and Principal Position	Year	Salary ($)	Share-based Awards	Option-based Awards	Non-equity Incentive Plan Compensation		All Other Compensation	Total Compensation ($)
					Annual Incentive Plans	Long-term Incentive Plans		
Melinda Rombouts, President and CEO	2017 2016 2015	127,418 74,200 33,108	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	127,418 74,200 33,108
David Burch, Secretary and Treasurer	2017 2016 2015	78,017 45,050 19,809	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	78,017 45,050 19,809

Incentive Plan Awards – Named Executive Officers

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

As of October 31, 2017, no share-based or option-based awards were outstanding for the Named Executive Officer.

Incentive Plan Awards – Value Vested or Earned During the Year

As of October 31, 2017, no incentive plan awards vested or were earned by the Named Executive Officer.

Management Contracts – Termination and Change of Control Benefits

Ms. Rombouts and NMC will enter into an employment agreement effective as of the Closing. The agreement will provide for an annual base salary of $175,000 and standard non-competition, non-solicitation and confidentiality clauses. Ms. Rombouts will be eligible for an annual bonus at the sole discretion of the board of directors from time to time. The employment of Ms. Rombouts will be indefinite until terminated in accordance with the terms of the agreement. NMC may at any time during the term, without notice or pay in lieu of such notice, terminate Ms. Rombouts' employment, with or without cause. Upon termination without cause, Ms. Rombouts is entitled to two year's salary. Further, if Ms. Rombout's resigns within 30 days of a change of control of the Resulting Issuer, Ms. Rombout's will be entitled to two year's salary.

NMC hired Jacqueline Scott as NMC's Chief Financial Officer in March 2018. The employment agreement between Ms. Scott and NMC provides for an annual base salary of $125,000 and participation in NMC's benefits plans available to its other employees and includes standard non-competition, non-solicitation and confidentiality clauses. Ms. Scott is eligible for an annual bonus at the sole discretion of the board of directors from time to time. The employment of Ms. Scott is subject to a six month probationary period, and an indefinite term until terminated in accordance with the terms of the agreement. NMC may at any time during the term, without notice or pay in lieu of such notice, terminate Ms. Scott's employment, with or without cause. Upon termination without cause, Ms. Scott is entitled to six months' salary.

Directors' Compensation

Director Compensation Table

From November 1, 2014 to October 31, 2017, no compensation has been paid to the directors of NMC in their capacity as directors.

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

As of October 31, 2017, no share-based or option-based awards were outstanding for the directors of NMC.

Incentive Plan Awards – Value Vested or Earned During the Year

As of October 31, 2017, no incentive plan awards vested or were earned by directors of NMC.

Non-Arm's Length Transactions

Other than as set out below and pursuant to the Real Estate Option Agreement, there has been no acquisition of assets or services or provision of assets or service in any transaction within the five years before the date of this Filing Statement, or in any proposed transaction, where NMC or any subsidiary of NMC has obtained such assets or services from:

(a) any director, officer or promoter of NMC;

(b) a securityholder disclosed in this Filing Statement as a principal securityholder, either before or after giving effect to the Qualifying Transaction; or

(c) an Associate or Affiliate of any of the persons or companies referred to in paragraphs (a) or (b) above**.**

Legal Proceedings

There are no legal proceedings material to NMC to which NMC is a party to or of which any of its property is the subject matter, and there are no such proceedings known to NMC to be contemplated.

Material Contracts

The following contracts are material contracts to NMC:

1. the Real Estate Option Agreement;
2. the Definitive Agreement;
3. the Amalgamation Agreement; and
4. the Agency Agreement.

Copies of these agreements may be inspected during regular business hours at the office of NMC's Canadian legal counsel, Aird & Berlis LLP, 181 Bay Street, Suite 1800, Toronto, Ontario M5J 2T9 until the Completion of the Qualifying Transaction and for a period of 30 days thereafter.

PART III – INFORMATION CONCERNING THE RESULTING ISSUER

Information contained in this Part III assumes completion of the Carlaw Stock Split, completion of the Amalgamation and approval by the TSXV.

Corporate Structure

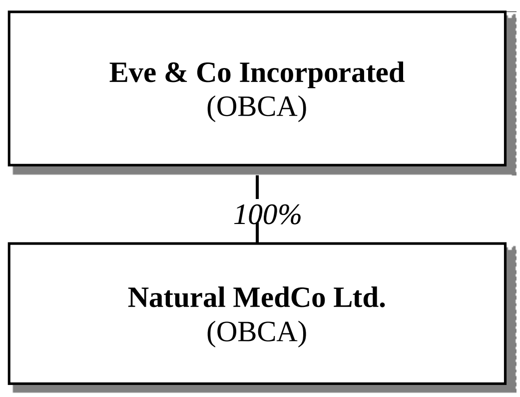
Name and Incorporation

Following the Completion of the Qualifying Transaction, it is anticipated that the Resulting Issuer will file articles of amendment to change its name to “Eve & Co Incorporated”, or such other name as may be determined in the sole discretion of the Board and approved by the TSXV.

Eve & Co’s registered office will be located at 2941 Napperton Drive, Strathroy, Ontario, N7G 3H8.

Intercorporate Relationships

The following organizational chart reflects the proposed structure of the Resulting Issuer after Completion of the Qualifying Transaction:



Description of the Business

Following the Closing, the Resulting Issuer will continue to carry on the business of NMC. See “Part II – Information Concerning Natural MedCo – Description of the Business”.

Stated Business Objectives

In addition to having the same stated business objectives as NMC, the Resulting Issuer intends to utilize the funds over the next 18 months after completion of the Amalgamation as described in the “Available Funds and Principal Purposes” section above.

Milestones

Within 12 months following the Completion of the Qualifying Transaction, the Resulting Issuer anticipates working towards various milestones, including:

Milestone		Target Date
1.	Complete construction of the Phase One Expansion	June 2018
2.	Commence distribution and sales	June 2018
3.	Receive requisite production licenses under the ACMPR for the Phase One Expansion	Summer 2018
4.	Complete construction of the Phase Two Expansion	Spring 2019
5.	Receive requisite production licenses under the ACMPR for the Phase Two Expansion	Spring 2019

Description of the Securities

The share structure and the rights associated with the Common Shares will remain the same after the Qualifying Transaction. See "Part I - Information Concerning Carlaw - Description of the Securities".

Pro-Forma Consolidated Capitalization

The following table sets forth the capitalization of the Resulting Issuer after giving effect to the transactions described in the unaudited Pro Forma Consolidated Financial Statements attached hereto as Schedule E.

Designation of Security[(1)]	Amount Authorized	Amount Outstanding After Giving Effect to the Qualifying Transaction
Common Shares	Unlimited	211,144,014
Options granted under the Stock Option Plan	10% of all issued and outstanding common shares	Options to purchase up to 6,920,000 Common Shares
Resulting Issuer QT Equity Compensation Options	Compensation options to purchase up to 2,448,800 Common Shares	Compensation options to purchase up to 2,448,800 Common Shares
Resulting Issuer QT Debenture Compensation Options	Compensation options to purchase up to 2,333,333 Common Shares	Compensation options to purchase up to 2,333,333 Common Shares
Resulting Issuer Debentures	$10,000,000 of principal	$10,000,000 of principal
Resulting Issuer Warrants	Warrants to purchase up to 33,330,000 Common Shares	Warrants to purchase up to 33,330,000 Common Shares

Note:
(1) See "Part III – Information Concerning the Resulting Issuer – Escrowed Securities".

Pro-Forma Fully Diluted Share Capital

In addition to the information set out in the capitalization table above, the following table sets out the diluted share capital of the Resulting Issuer after giving effect to the Qualifying Transaction.

	Number of Securities	Percentage of Total After Giving Effect to the Proposed Qualifying Transaction
Common Shares issued and outstanding as at the date of the Filing Statement	6,360,000	2.2%
Common Shares issued pursuant to the Amalgamation Agreement (to be issued to holders of existing NMC Common Shares)	161,591,414	55.8%
Common Shares issued pursuant to the QT Brokered Financing upon conversion of the QT Subscription Receipts	25,340,000	8.8%
Common Shares issued pursuant to the QT Non-Brokered Financing	17,852,600	6.2%
TOTAL	211,144,014	
Securities Reserved for Future Issue:		
Reserved for issuance pursuant to existing options granted to directors, officers, employees and consultants of the Resulting Issuer pursuant to the Stock Option Plan (1)	720,000	0.2%
Reserved for issuance pursuant to options granted to directors, officers, employees and consultants of the Resulting Issuer on Closing pursuant to the Stock Option Plan (1)	6,200,000	2.1%
Reserved for issuance upon exercise of Resulting Issuer QT Equity Compensation Options(2)	2,448,800	0.8%
Reserved for issuance upon exercise of Resulting Issuer QT Debenture Compensation Options(3)	2,333,333	0.8%
Resulting Issuer Debentures	33,333,333	11.5%
Resulting Issuer Warrants	33,330,000	11.5%
TOTAL NUMBER OF DILUTED SECURITIES	**289,509,480**	**100%**

Notes:

(1) See "Options" below for a summary of the terms of the options.

(2) Upon the Closing, Resulting Issuer QT Equity Compensation Option will be issued and outstanding entitling the holders to acquire up to 2,448,800 Common Shares at an exercise price of $0.25 per share for a period of two years following the date the Escrow Release Conditions are satisfied, subject to certain adjustments.

(3) Upon the Closing, Resulting Issuer QT Debenture Compensation Options will be issued and outstanding entitling the holders to acquire up to 33,330,000 Common Shares at an exercise price of $0.30 per share for a period of two years following the date the Escrow Release Conditions are satisfied, subject to certain adjustments.

(4) Upon the Closing, an aggregate principal amount of $10,000,000 of Resulting Issuer Debentures will be issued and outstanding, with such principal convertible into Common Shares at a price of $0.30 per share, subject to certain adjustments.

(5) Upon the Closing, Resulting Issuer Warrants will be issued and outstanding entitling the holder to acquire up to 33,330,000 Common Shares at an exercise price of $0.35 per share for a period of two years from the date of issue of the QT Warrants, subject to certain adjustments.

Estimated Available Funds and Principal Purposes

Estimated Available Funds

Based on information available as at May 31, 2018, upon the Completion of the Qualifying Transaction, the Resulting Issuer is expected to have approximately $18,557,774 in Available Funds, which includes the following:

Estimated Funds Available	Amount ($)
Pro forma consolidated working capital as at March 31, 2018[(1)]	20,370,624
Estimated fees and expenses of the Qualifying Transaction[(2)]	(1,812,950)
Total Estimated Available Funds	18,557,774

Notes:

(1) Consolidated working capital is derived from the Pro Forma Financial Statements attached as Schedule E. Includes the gross proceeds from the QT Financings of $20,798,150.

(2) Estimated fees and expenses of the Qualifying Transaction are made up of (i) financing fees in the amount of $1,112,950 and (ii) estimated transactions costs of $700,000.

Principal Purposes of Funds

Based on information available as at May 31, 2018, the following table sets forth the principal purposes for which the estimated funds available to the Resulting Issuer upon Completion of the Qualifying Transaction and the current estimated amounts to be used for each such principal purpose:

Principal Use of Available Funds[(1)]	Amount ($)
Capital expenditures related to the Phase Two Expansion[(2)]	9,860,000
Operating expenses[(3)]	55,000
General and administrative corporate expenses[(4)]	4,300,000
Repayment of debt	72,000
Interest on Resulting Issuer Debentures	583,333
Unallocated working capital[(5)]	3,687,441
Total	18,557,774

Notes:

(1) Covers the 18 month period beginning May 31, 2018 assuming NMC does not obtain its Sales License during such time.

(2) NMC expects the first portion of the Phase Two Expansion to cost approximately $9,860,000. If NMC has additional funds available after obtaining its Sales License, or from available debt or equity financings, NMC intends to spend an additional $17,000,000 to complete the Phase Two Expansion. See “Risk Factors – Expansion of Facilities”.

(3) The amount allocated to operating expenses does not assume the granting of the Sales License. Such amount is expected to increase once the Sales License is granted and production is increased to meet expected demand.

(4) Such expenses are expected to include general and administrative expenses as well as employee and third party advisory and consulting costs and fees relating to branding (including the re-branding of the business to “Eve & Co Incorporated”), brand and business expansion (including acquisitions), customer procurement, public and media relations and tradeshows. In addition, all salaries paid by the Resulting Issuer are included in such amount. Once the Sales License is granted, a portion of such salaries would be allocated to operating expenses.

(5) The unallocated working capital does not include expected positive cash inflows from operations.

Notwithstanding the foregoing, there may be circumstances where, for sound business reasons, a reallocation of funds is necessary in order for the Resulting Issuer to achieve its objectives as set out in this Filing Statement.

Dividend Policy

It is not contemplated that any dividends will be paid in the immediate or foreseeable future following Completion of the Qualifying Transaction.

Principal Securityholders

To the knowledge of management of Carlaw and NMC, no person or company is anticipated to own of record or beneficially, directly or indirectly, or exercise control or direction over more than 10% of any class of voting securities of the Resulting Issuer upon completion of the Amalgamation, other than as set out below.

	Number of Shares Owned (Percentage of Class and Type of Ownership)	
	Shares	**Percentage of Voting Rights**
Melinda Rombouts Strathroy, Ontario	58,018,668 Common Shares	27.5%
Dave Burch Strathroy, Ontario	26,781,332 Common Shares	12.7%

Notes:
(1) On a fully-diluted basis, Ms. Rombouts would be the beneficial and legal owner of 61,018,668 Common Shares (20.9%).
(2) On a fully-diluted basis, Mr. Burch would be the beneficial and legal owner of 26,781,332 Common Shares (9.3%).

Directors, Officers and Promoters

The following table lists the names, municipalities of residence of the proposed directors, officers and promoters of the Resulting Issuer upon Completion of the proposed Qualifying Transaction, their proposed positions and offices to be held with the Resulting Issuer, and their principal occupations or employment and the number of securities of the Resulting Issuer which will be beneficially owned, directly or indirectly, or over which control or direction will be exercised by each upon completion of the proposed Qualifying Transaction. The Resulting Issuer's directors will be elected annually and, unless re-elected, retire from office at the end of the next annual general meeting of shareholders.

Name and Municipality of Residence	**Principal Occupations for the Last Five Years**	**Period or periods during which each proposed director has served as a director of NMC**	**Proposed Position With the Resulting Issuer**	**Number and Percent of Issued Shares**
Melinda Rombouts Strathroy, Ontario	President, Chief Executive Officer and Director, NMC	Original director and founder of NMC	President, Chief Executive Officer and Director	58,018,668 Common Shares (27.5%) 3,000,000 options

Name and Municipality of Residence	Principal Occupations for the Last Five Years	Period or periods during which each proposed director has served as a director of NMC	Proposed Position With the Resulting Issuer	Number and Percent of Issued Shares
Dave Burch Strathroy, Ontario	Secretary and Treasurer, NMC	Original director and founder of NMC	Director of NMC (operating subsidiary of the Resulting Issuer)	26,781,332 Common Shares (12.7%)
Jacqueline Scott Strathroy, Ontario	Chief Financial Officer, Penta TMR Inc.	n/a	Chief Financial Officer	1,000,000 options
Ravi Sood Toronto, Ontario(1) (2) (3)	Managing Director, Signal 8 Limited	n/a	Director	1,715,914 Common Shares (0.8%) 620,000 options
Clark Moeller Wichita, Kansas(2) (3)	Principal, EQ Development	n/a	Director	17,309,728 Common Shares(4) (8.2%) 500,000 options
Jonathan Pollack Toronto, Ontario(1) (2) (3)	President, The JMP Group	n/a	Director	500,000 options
Michael Young Palm Beach, USA(1)	Managing Partner, Cottingham Capital LLC; Managing Director and Co-Head of Trading, GMP Securities L.P.	n/a	Director	500,000 options
Dr. Mehraneh Ebrahimi Toronto, Ontario(5)	Treasurer and Global Marketing Manager, 5M Capital Investment	n/a	Director	500,000 options
Richard Kimel Toronto, Ontario	Partner, Aird & Berlis LLP	n/a	Corporate Secretary	100,000 Common Shares (0.05%) 320,000 options

Notes:

(1) The Audit Committee of the Resulting Issuer is expected to be comprised of Jonathan Pollack (Chairman), Ravi Sood and Michael Young.

(2) The Corporate Governance and Nominating Committee of the Resulting Issuer is expected to be comprised of Ravi Sood (Chairman), Clark Moeller and Jonathan Pollack.

(3) The Compensation Committee of the Resulting Issuer is expected to be comprised of Ravi Sood (Chairman), Clark Moeller and Jonathan Pollack.

(4) Mr. Moeller indirectly holds his shares through a family trust.

(5) In connection with the QT Non-Brokered Financing, Carlaw and NMC provided Kaleron Holdings Ltd. ("**Kaleron**") with the right to nominate one director to the board of the Resulting Issuer so long as Kaleron holds at least 5% of the issued and outstanding Common Shares.

As a group, the directors and officers of the Resulting Issuer will hold approximately 103,925,642 Common Shares, representing 49.2% of all issued and outstanding Common Shares.

The following is a brief description of each of the proposed members of management for the Resulting Issuer (including details with regard to their principal occupations for the last five years):

Melinda Rombouts, President and Chief Executive Officer and Director, Age 46

Prior to founding NMC, Ms. Rombouts was the president, manager and owner of numerous large scale businesses producing agricultural food and pharmaceutical related products. Through this experience, she has gained extensive plant knowledge crucial to the growth of a healthy plant and essential to producing a high quality product free of pests, contamination and disease. Ms. Rombouts has grown hundreds of varieties of plants and has superior knowledge in terms of pest identification, fertilizer usage, alternative pest control, plant handling and care. She has experience with quality assurance program development, implementation and improvement with strict adherence to the regulations governing the pharmaceutical industry and the development, implementation and improvement of Good Manufacturing Practices ("**GMP**") program for the production of Spirulina by LG Ranch and plant products by MND Greenhouses. Ms. Rombouts received her Bsc. and BA from the University of Waterloo with a specialization in Plant Biology and Microbiology, and has also completed various specialized training courses related to GMP.

Dave Burch, Director of Natural MedCo (operating subsidiary of the Resulting Issuer), 61

Mr. Burch has over 40 years of growing experience of a wide variety of crops as owner of David Burch Farms, MND Greenhouses and The Flower Ranch. Mr. Burch possesses a unique ability to diagnose and maintain the health of a wide variety of plants as well as maintain a healthy crop through the use of natural pesticides and controlled environment. He has been a grower his entire life and since owning The Flower Ranch, he has branched into becoming an expert in modern pest control techniques, identifying growing issues and improving production methods. As leader in the hands-on production of our alternative products, he has gained a unique perspective in growing untraditional crops.

Jacqueline Scott, Chief Financial Officer, Age 51

Ms. Scott joined NMC in March 2018. Her previous work experience includes five years as Chief Financial Officer for a manufacturer of agricultural products in Petrolia, Ontario and 20 years as Chief Financial Officer for Sydenham Community Credit Union (now Mainstreet Credit Union) in Strathroy. She also previously acted as member of the board and Treasurer for both Participation House Support Services, London and WOTCH (now CMHA Middlesex). Ms. Scott holds a Certified General Accountant designation and graduated with a B.Mathematics from the University of Waterloo.

Ravi Sood, Director, Age 41

Mr. Sood is the managing director of Signal 8 Limited. Mr. Sood has been a founder of and the principal investor in several businesses in emerging markets and currently serves as Executive Chairman and Director of Galane Gold Ltd. (TSXV:GG) and Blockchain Power Trust (TSXV:BPWR) and as a director of Feronia Inc. (TSXV:FRN), and ICC Labs Inc. (TSXV:ICC). He was the founder and Chief Executive Officer of Navina Asset Management Inc., a global asset management firm headquartered in Toronto, Canada. Mr. Sood led the investment activities of Navina and its predecessor company, Lawrence Asset Management Inc., from its founding in 2001 until he sold the firm in 2010. Mr. Sood was educated at the University of Waterloo (B.Mathematics) where he was a Descartes Fellow and the recipient of numerous national awards.

Clark Moeller, Director, Age 41

Mr. Moeller lives in Wichita, Kansas and is the head of EQ Development, a company focused on private equity investments. With a background in lodging, commercial and residential real estate development, Mr. Moeller also has extensive experience in business operations across a wide variety of segments. Mr. Moeller has broad experience in the cannabis industry with investments in Canada and the Colorado market. Mr.

Moeller graduated with honors and received his B.A. in United States History from the University of Kansas.

Jonathan Pollack, Director, Age 46

Jonathan Pollack is the President of The JMP Group, a private investment and consulting firm. He is also a director of several public and private companies including CECO Environmental Corp. (NASDAQ:CECE). Mr. Pollack also served as a director of API Technologies Corp. (NASDAQ: ATNY), Pinetree Capital Ltd. (TSX:PNP), Hanfeng Evergreen Inc. (TSX:HF) and Lifebank Corp. (TSXV:LBK).

Previously, he served as Executive Vice President of API Technologies Corp. (NASDAQ:ATNY), a leading provider of RF/microwave, microelectronics and security technologies for critical and high-reliability applications from 2009 and as a director from 2007 until January 2011 when it was sold. From March 2005 through its sale in 2009, he served as the Chief Financial Officer and Corporate Secretary of Kaboose Inc. Prior thereto, he worked in investment banking in New York.

Mr. Pollack received a Master's of Science in Finance from the London School of Economics and a Bachelors of Commerce from McGill University. He sits on the Boards of several philanthropic organizations including the Mt. Sinai Hospital Foundation, the Crescent School Foundation, and the Sterling Hall School Foundation.

Michael Young, Director, Age 39

Mr. Young has extensive senior level executive management and trading experience in the Canadian and U.S. capital markets. He is currently Managing Partner of Cottingham Capital LLC, a property investment and development company. Throughout his career in finance and banking, he has built a strong network of Canadian, American and international investors. Most recently, he held the position of Managing Director and Co-Head of Trading for GMP Securities L.P. in Toronto, a leading independent investment dealer headquartered in Toronto, providing investment banking, institutional sales and trading and research to a global client base. Previously he established and ran the Equity Capital Markets desk for GMP Capital in New York City. Mr. Young began his career as an Equities Trader at GMP Securities L.P. in 2003. He was quickly promoted to Director and soon after became one of the youngest Managing Directors at the company in the firm's history. Mr. Young is an active sponsor of the Northern Bursary which provides post-secondary scholarships for high school graduates in Thunder Bay, Ontario.

Dr. Mehraneh Ebrahimi, Age 35

Dr. Ebrahimi is the head of academic research of her family's investment business, which holds various interests in agricultural, real estate and private equities. Prior to that, she taught at Western University in London, Ontario, where she received her PhD in World Literature. Speaking four languages and conducting research on the role of the disenfranchised, women, and minorities in world affairs have helped Dr. Ebrahimi understand the unique international cultural kaleidoscope of Canada. She is the recipient of several teaching awards and scholarships and the author of a forthcoming book entitled *Women, Art, and Literature in Diaspora*. Her diverse experiences both academic and managerial shape her understanding of business and social life, especially women and immigrants.

Richard Kimel, Corporate Secretary, Age 51

Mr. Kimel is a partner at the law firm of Aird & Berlis LLP. Mr. Kimel practices in the areas of corporate finance and corporate/commercial law with considerable experience in mergers and acquisitions (cross-border and domestic) of both public and private corporations, public offerings (both initial and secondary), private placement financings (including debt and equity offerings), hedge fund formations and financings, corporate governance matters, and the formation and completion of qualifying transactions for companies established under the TSXV Capital Pool Company (CPC) program. Mr. Kimel acts as corporate counsel for numerous companies listed on the Toronto Stock Exchange and the TSXV. Mr. Kimel also acts as a director or officer for a number of his publicly listed clients. Mr. Kimel received his LL.B. from the University of Toronto and an Honours degree in Business Administration from the Richard Ivey School of Business at Western University in London, Ontario.

Work Commitment to the Resulting Issuer

All proposed executive officers of the Resulting Issuer will work on a full-time basis for the Resulting Issuer. Each executive officer of the Resulting Issuer will enter into non-competition and non-disclosure agreements with the Resulting Issuer. The directors will devote their time and expertise as required by the Resulting Issuer.

Corporate Cease Trade Orders or Bankruptcies

Other than as set out below, as the date of this Filing Statement and within the ten years before the date of this Filing Statement, no proposed director, officer or promoter or a securityholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, is or has been a director, officer or promoter of any person or company that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under applicable securities law, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact.

Mr. Sood was a director of TriNorth Capital Inc. (now Difference Capital Financial Inc.), a reporting issuer that became subject to a cease trade order issued by the Ontario Securities Commission on May 19, 2010 as a result of the failure to file audited annual financial statements for the financial year ended December 31, 2009, the related management’s discussion and analysis and the certification of the foregoing filings when due as required by National Instrument 52-109 - *Certification of Disclosure in Issuers’ Annual and Interim Filings*. The order was revoked on July 6, 2010.

Mr. Sood is a director of and Mr. Kimel is the Secretary of Galane Gold Ltd. (“**Galane**”), a reporting issuer that was dual listed on the TSXV and Botswana Stock Exchange (the **“BSE”**), which was delisted from the BSE effective August 14, 2017 for failure to pay certain fees required by the BSE’s listing requirements. The delisting of Galane from the BSE followed a temporary suspension of Galane’s listing on the BSE that was imposed on July 13, 2017.

On February 24, 2014, Mr. Pollack was appointed as a director of Hanfeng Evergreen Inc., which was a reporting issuer in all provinces and territories of Canada, and was listed on the Toronto Stock Exchange. Prior to his appointment as a director, the trading of the shares on the Toronto Stock Exchange of Hanfeng Evergreen Inc. had been previously suspended and a cease trade order for failure of to file financial statements had been previously issued by the British Columbia Securities Commission. Similar cease trade orders were subsequently issued by the Ontario Securities Commission (on March 3, 2014), the

Autorité des marchés financiers (on March 7, 2014), the Manitoba Securities Commission (on April 16, 2014) and the Alberta Securities Commission (on April 16, 2014). The shares of Hanfeng Evergreen Inc. were delisted from the Toronto Stock Exchange on June 9, 2014. On August 20, 2014, Ernst & Young Inc. was appointed as a receiver and manager over all of the assets of Hanfeng Evergreen Inc.

From June 2007 to January 2012, Mr. Kimel acted as Corporate Secretary of Sino-Forest Corporation ("**Sino-Forest**"). On August 26, 2011, a temporary cease trade order ("**Temporary Cease Trade Order**") was issued by the OSC in connection with an ongoing investigation by the OSC. The Temporary Cease Trade Order is currently effective until the final disposition of the matter related to the OSC's Statement of Allegations, including, if appropriate, any final determination with respect to sanctions and costs. On March 30, 2012, Sino-Forest obtained an initial order from the Ontario Superior Court of Justice for creditor protection pursuant to the provisions of the Companies' Creditors Arrangement Act ("CCAA"). On January 30, 2013, Sino-Forest announced that it had implemented its previously announced Plan of Compromise and Reorganization pursuant to the CCAA and the *Canada Business Corporations Act*.

The foregoing information, not being within the knowledge of Carlaw or NMC, has been furnished by the proposed directors.

Penalties or Sanctions

To the knowledge of Carlaw, no proposed director, officer or promoter of the Resulting Issuer has:

(a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable security holder making a decision about the Qualifying Transaction.

The foregoing information, not being within the knowledge of Carlaw or NMC, has been furnished by the respective directors and executive officers.

Personal Bankruptcies

To the knowledge of Carlaw, no director, officer or promoter of the Resulting Issuer, or a personal holding company of any of them, has, within the ten years prior to the date of this Filing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangements, or compromise with creditors or had a receiver manager or trustee appointed to hold the assets of that individual.

Conflicts of Interest

Some of the individuals proposed for appointment as directors or officers of the Resulting Issuer upon Closing are also directors, officers and/or Promoters of other reporting and non-reporting issuers. To the knowledge of the directors and officers of Carlaw and NMC, there are no existing conflicts of interest between the Resulting Issuer and any of the individuals proposed for appointment as directors or officers upon completion of the Amalgamation, as of the date of this Filing Statement.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and promoters of the Resulting Issuer that are, or have been within the last five years, directors, officers or promoters of other reporting issuers:

	Name of Reporting Issuer	Market	Position	From		To	
				Mm	Yy	Mm	Yy
Ravi Sood	Carlaw Capital V Corp.	TSXV	Director	06	14	-	-
	Blockchain Power Trust	TSXV	Executive Chairman	10	13	-	-
			Director	10	13	-	-
	Elgin Mining Inc.	TSX	Director	06	09	09	14
	Feronia Inc.	TSXV	Acting CEO	02	14	09	14
			Executive Chairman	04	12	08	16
			Chairman	09	10	-	-
			Director	09	10	-	-
	Galane Gold Ltd	TSXV	Chairman	08	11	-	-
			Director	10	07	-	-
	ICC Labs Inc.	TSXV	Director	05	16	-	-
	LottoGopher Holdings Inc.	CSE	Director	02	18	04	18
	Truecontext Mobile Solutions Corp.	TSXV	Director	08	09	06	13
Jonathan Pollack	API Technologies Corp.	NASDAQ	Director	09	09	01	11
	CECO Environment Corp.	NASDAQ	Director	05	11	-	-
	Hanfeng Evergreen Inc.	TSX	Director	11	10	02	13
				02	14	08	14
	Kaboose Inc.	TSX	Officer	03	05	06	09
	Lifebank Corp.	TSXV	Director	11	03	09	12
	Pinetree Capital Ltd.	TSX	Director	02	15	07	15
Michael Young	ICC Labs Inc.	TSXV	Director	03	17	-	-
	Nuuvera Inc.	TSXV	Director	12	17	03	18
Richard Kimel	Carlaw Capital V Corp.	TSXV	Director	06	14	-	-
	Carlaw Capital IV Inc.	TSXV	Director	09	10	03	14
	Chrysalis Capital IX Corporation	TSXV	Director	10	13	07	15
	Blockchain Power Trust	TSXV	Secretary	10	13	-	-
	Feronia Inc.	TSXV	Secretary	04	11	-	-
	Galane Gold Ltd.	TSXV	Secretary	08	11	-	-
	ICC Labs Inc.	TSXV	Secretary	11	17	-	-
	Spectra7 Microsystems Inc.	TSX	Secretary	02	13	-	-

Executive Compensation

Compensation Discussion and Analysis

Disclosure of the executive compensation practices for NMC is set forth in "Part II –Information Concerning Natural MedCo – Executive Compensation". It is anticipated that the Resulting Issuer will continue the executive compensation practices of NMC upon Closing. See "Part II –Information Concerning Natural MedCo – Executive Compensation" for a discussion of the annual compensation entitlements for a discussion of expected annual compensation for services in all capacities to the Resulting Issuer for the 12 months following completion of the Amalgamation in respect of individuals who are expected to be acting in capacities of Chief Executive Officer and Chief Financial Officer of the Resulting Issuer.

It is anticipated that from time to time (including on Closing) stock options will be granted under the Stock Option Plan to: provide an incentive to the participants; to achieve the longer-term objectives of the Resulting Issuer; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Resulting Issuer; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Resulting Issuer. The Resulting Issuer has no other forms of compensation.

Director Compensation

Upon Completion of the Qualifying Transaction the directors of the Resulting Issuer will determine how much, if any, compensation will be paid to directors for services rendered to the Resulting Issuer by them in that capacity. Such incentives may be in the form of an annual director's fee and/or in the form of incentive stock options pursuant to the Stock Option Plan.

Indebtedness of Directors and Officers

Except as set out below, no director, officer, promoter, member of management, nominee for elections as director of the Resulting Issuer, nor any of their Associates or Affiliates, is or has been indebted to Carlaw or NMC or is expected to be indebted to the Resulting Issuer following the Closing or any subsidiary of the foregoing.

As of the financial year ended October 31, 2017, Ms. Rombouts and Mr. Burch, directors of NMC, collectively owned 976,000 NMC Class C Shares, having an aggregate redemption value of $976,000. In connection with the Completion of the Qualifying Transaction, Ms. Rombouts and Mr. Burch sold their NMC Class C Shares to Carlaw Subco in exchange for promissory notes bearing annual interest at 5% with aggregate principal of $976,000 (the "**Promissory Notes**"). The NMC Class C Shares will be cancelled pursuant to the Amalgamation and Amalco will be indebted to Ms. Rombouts and Mr. Burch pursuant to the Promissory Notes for $976,000.

Name and Principal Position	Counterparty	Involvement of NMC / Amalco	Amount Outstanding as at October 31, 2017	Amount Outstanding as at Closing	Expiry Date
Melinda Rombouts, Director NMC	NMC	Issuer of NMC Class C Shares	$488,000 of redemption value	Nil	February 5, 2025
	Amalco	Lender	Nil	$488,000 of principal	Repayable on demand, subject to certain conditions
David Burch, Director NMC	NMC	Issuer of NMC Class C Shares	$488,000 of redemption value	Nil	February 5, 2025
	Amalco	Lender	Nil	$488,000 of principal	Repayable on demand, subject to certain conditions

Investor Relations Arrangements

The Resulting Issuer has not entered into any arrangement for promotional and investor relations services.

Options

The Stock Option Plan will be the Resulting Issuer's option plan upon Completion of the Qualifying Transaction. Upon the completion of the Amalgamation an aggregate of 6,920,000 Common Shares are anticipated to be reserved for issuance pursuant to the following options:

Optionee	Number of Options	Exercise Price	Expiry Date
Current Directors and Officers of Carlaw	640,000(1)	$0.10(1)	February 5, 2025
Toronto Foundation	80,000(1)	$0.10(1)	February 5, 2025
Directors and Officers of the Resulting Issuer	6,200,000	$0.25	10 years from Closing
TOTAL	**6,920,000**		

Note:
(1) The number of options were adjusted upwards, and the exercise price was adjusted downwards, as a result of the Carlaw Stock Split.

It is expected that the Resulting Issuer will maintain the Stock Option Plan (as described above under the heading "Information Concerning Carlaw – Stock Option Plan").

Escrowed Securities

There are two classes of escrow to which certain Common Shares will be subject: (i) CPC Escrow Shares and (ii) Value Escrow Shares. The CPC Escrow Shares are subject to an escrow that continues as part of the initial public offering of Carlaw, while the Value Escrow Shares are subject to an escrow as a result of the Qualifying Transaction.

Terms of the Escrow for the CPC Escrow Shares

CPC Escrow Shares are Common Shares held in escrow pursuant to Section 1.1 of the CPC Policy, and released in accordance with the following timeline:

% of Common Shares Released from Escrow		Release Date
Tier 2 Issuer	**Tier 1 Issuer**	
10%	25%	Date of Final Exchange Bulletin
15%	25%	6 months from Final Exchange Bulletin
15%	25%	12 months from Final Exchange Bulletin
15%	25%	18 months from Final Exchange Bulletin
15%	n/a	24 months from Final Exchange Bulletin
15%	n/a	30 months from Final Exchange Bulletin
15%	n/a	36 months from Final Exchange Bulletin

The following table sets out, as of the date hereof and to the knowledge of Carlaw and NMC, the name and municipality of residence of the securityholders whose Common Shares will continue to be subject to the CPC Escrow Agreement. Upon completion of the Carlaw Stock Split, a total of 2,000,000 Common Shares will be in escrow pursuant to the CPC Escrow Agreement.

		Prior to Giving Effect to the Qualifying Transaction		After Giving Effect to the Qualifying Transaction	
Name and Municipality of Residence of Shareholder	**Designation of Class**	**Number of Securities held in Escrow**	**Percentage of Class**	**Number of Securities to be held in Escrow**	**Percentage of Class**
Amar Bhalla[(1)] Toronto, Ontario	Common	1,800,000	28.3%	1,800,000	0.85%
Ravi Sood Toronto, Ontario	Common	100,000	1.6%	100,000	0.05%
Richard Kimel Toronto, Ontario	Common	100,000	1.6%	100,000	0.05%

Note:
(1) Common Shares attributed to Mr. Bhalla are held by Mr. Bhalla's personal holding companies.

Terms of the Escrow for the Value Escrow Shares

All Common Shares, other than Common Shares classified under Seed Share Resale Restrictions, being issued under the Amalgamation Agreement are Value Securities as defined in TSXV Policy 5.4, of which it is anticipated that an aggregate of 77,144,310 Common Shares will be subject to the release schedule applicable under the QT Escrow Agreement (being a Tier 1 Value Security Escrow Agreement) in accordance with the following timeline:

% of Securities Released from Escrow Tier 1 Issuer	Release Date
25%	Date of Final Exchange Bulletin
25%	6 months from Final Exchange Bulletin
25%	12 months from Final Exchange Bulletin
25%	18 months from Final Exchange Bulletin

The following table sets out, as of the date hereof and to the knowledge of Carlaw and NMC, the name and municipality of residence of the securityholders whose Common Shares at the Completion of the Qualifying Transaction will be placed in escrow pursuant to the terms of the QT Escrow Agreement:

		Prior to Giving Effect to the Qualifying Transaction		After Giving Effect to the Qualifying Transaction	
Name and Municipality of Residence of Shareholder	**Designation of Class**	**Number of Securities held in Escrow**	**Percentage of Class**	**Number of Securities to be held in Escrow**	**Percentage of Class**
Melinda Rombouts Strathroy, Ontario	Common	-	-	58,018,668	27.5%
David Burch Strathroy, Ontario	Common	-	-	26,781,332	12.7%
Clark Moeller(1) Wichita, Kansas	Common	-	-	17,309,728	8.2%
Ravi Sood(2) Toronto, Ontario	Common	-	-	1,615,914	0.77%

Note:

(1) Common Shares attributed to Mr. Moeller are held by Mr. Moeller's family trust.

(2) In accordance with an agreement dated October 23, 2017, Mr. Sood's consulting company provided NMC with various consulting services, including capital markets advisory services, various business advisory services, including with respect to NMC's ongoing re-branding and other strategic advice. NMC became obligated to issue such NMC Common Shares to Mr. Sood upon the completion of 2017 Equity Financing. The issuance of Common Shares by the Resulting Issuer in exchange for such shares held by Mr. Sood, in accordance with the Amalgamation, remains subject to the approval of the majority of disinterested Shareholders.

Seed Share Resale Restrictions

An aggregate of 38,850,000 Common Shares held by five non-principal shareholders of the Resulting Issuer will be subject to seed share resale restrictions (each, an "**SSRR**") pursuant to TSXV Policy 5.4 - *Escrow, Vendor Consideration and Resale Restrictions*. SSRRs are TSXV hold periods of various lengths which apply where seed shares are issued to non-principals by private companies in connection with the Qualifying Transaction. The terms of the SSRRs are based on the length of time such NMC Common Shares have been held and the price at which such shares were originally issued.

PART IV – RISK FACTORS

Where used in this "Risk Factors" section, "NMC" refers to either Natural MedCo or the Resulting Issuer as the context may require. The current business of NMC will be the business of the Resulting Issuer upon Completion of the Qualifying Transaction. Accordingly, risk factors relating to NMC's current business will be risk factors relating to the Resulting Issuer's business and references to NMC in these risk factors should, where the context requires, be read to include the risks of the Resulting Issuer. Due to the nature of NMC's business, the legal and economic climate in which it operates and its present stage of development, NMC is subject to significant risks. The risks presented below should not be considered to be exhaustive and may not be all of the risks that the Resulting Issuer and NMC may face. NMC's future development and operating results may be very different from those expected as at the date of this Filing Statement. Additional risks and uncertainties not presently known to NMC or that NMC currently considers immaterial may also impair the business and operations of the Resulting Issuer and cause the trading price of the Common Shares to decline. If any of the following or other risks occur, the Resulting Issuer's business, prospects, financial condition, results of operations and cash flows could be materially adversely impacted. In that event, the trading price of the Common Shares could decline and investors could lose all or part of their investment. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described below or other unforeseen risks. Readers should carefully consider all such risks and other information elsewhere in this Filing Statement before making an investment in NMC or the Resulting Issuer and should not rely upon forward-looking statements as a prediction of future results. Risk factors relating to NMC include, but are not limited to, the factors set out below.

Business and Industry

Reliance on License

NMC's ability to grow and store medical cannabis in Canada is dependent on maintaining its License with Health Canada. Failure to comply with the requirements of the License or any failure to maintain its License would have a material adverse impact on the business, financial condition and operating results of NMC.

Although NMC believes that it will meet the requirements to obtain, sustain or renew the necessary licenses and authorizations, there can be no guarantee that the applicable authorities will issue these licenses or authorizations. Should the authorities fail to issue the necessary licenses or authorizations, NMC may be curtailed or prohibited from the production and/or distribution of medical cannabis or from proceeding with the development of its operations as currently proposed and the business, financial condition and results of the operation of NMC may be materially adversely affected.

Before the end of the term of the License, NMC must submit an application for renewal to Health Canada containing information prescribed by the ACMPR. There can be no guarantee that Health Canada will extend or renew the License as necessary or, if it extended or renewed, that the License will be extended or renewed on the same or similar terms. Should Health Canada not extend or renew the License, or should it renew the License on different terms, the business, financial condition and results of the operation of NMC would be materially adversely affected.

Failure to Obtain Sales License

NMC has applied for the Sales License and the Resulting Issuer will apply for, as the need arises, all necessary licences and permits to carry on the activities it expects to conduct in the future. However, the ability of NMC to obtain, sustain or renew any such licences and permits on acceptable terms is subject to ongoing compliance with existing regulations and policies, including Health Canada inspections related thereto, changes in regulations and policies and to the discretion of the applicable authorities or other governmental agencies in foreign jurisdictions.

Expansion of Facilities

There is no guarantee that Health Canada will approve the contemplated expansions of NMC's facilities in a timely fashion, nor is there any guarantee that the expansions will be completed in their currently proposed form, if at all, or that additional funds will be available, either through sales or external financing, to complete the Phase Two Expansion. The failure of NMC to successfully execute its expansion strategy (including receiving the expected Health Canada approvals in a timely fashion) could adversely affect the business, financial condition and results of operations of NMC and may result in NMC not meeting anticipated or future demand when it arises.

Changes in Laws, Regulations and Guidelines

NMC's operations are subject to a variety of laws, regulations and guidelines relating to the manufacture, import, export, management, packaging/labelling, advertising, sale, transportation, storage and disposal of medical cannabis as well as laws and regulations relating to drugs, controlled substances, health and safety, privacy, the conduct of operations and the protection of the environment. While to the knowledge of NMC's management, NMC is currently in compliance with all such laws, regulations and guidelines, any changes to such laws, regulations and guidelines due to matters beyond the control of NMC may have an adverse effect on NMC's operations and the financial condition of NMC.

Further, the legal regime surrounding medicinal cannabis has been subject to various court challenges and changing government policies. This evolving legal regime presents a risk to NMC in that legislators or the court may adopt changes that would have a negative impact on the business, financial condition or results of operations of NMC. For example, judicial rulings or legislative changes that allow those without existing licenses to possess and/or grow medical cannabis, allow others to opt out of the regulated supply system implemented through the ACMPR by growing their own medical cannabis, or legitimize illegal areas surrounding cannabis dispensaries, could significantly reduce the addressable market for NMC's products and could materially and adversely affect the business, financial condition and results of operations for NMC.

In addition, as described above at length, the Canadian Federal Government has proposed Bill C-45 related to the enactment of the *Cannabis Act*. Apart from creating the legal market for recreational cannabis, the *Cannabis Act* and the regulations promulgated thereunder may significantly impact the laws and regulations governing NMC's operations.

In addition, the industry is subject to extensive controls and regulations which may significantly affect the financial condition of market participants. The marketability of any product may be affected by numerous factors that are beyond NMC's control and which cannot be predicted, such as changes to government regulations, including the eventual form of the *Cannabis Act* and related regulations and those relating to taxes and other government levies which may be imposed. Changes in the regulatory regime governing the production, processing and sale of cannabis and cannabis products could increase compliance costs for NMC and could make NMC's operations uneconomic. Changes in government levies, including taxes, could reduce NMC's earnings and could make future capital investments or NMC's operations uneconomic.

While the potential impact of any of such changes is highly uncertain and fact dependent, it is not expected that any such changes would have an effect on NMC's operations that is materially different than the effect on similar-sized companies in the same business as NMC.

Competition

NMC expects that it will face intense competition from other Licensed Producers, some of which have longer operating histories and more financial resources and manufacturing and marketing experience than NMC. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of NMC. In order to mitigate this intense competition, NMC expects to dedicate significant resources to hiring consultants and employees to provide services related to branding (including the re-branding of the business to "Eve & Co Incorporated"), brand and business expansion (including acquisitions), customer procurement, public and media relations and tradeshows. See "Part III – Information Concerning the Resulting Issuer, Principal Purposes of Funds". However, to remain competitive, NMC will require a continued level of investment in such business development activities and NMC may not have sufficient resources to expenses on a competitive basis which could materially and adversely affect the business, financial condition and results of operations of NMC.

Health Canada has only issued to date a limited number of licenses, under the ACMPR, to produce and sell medical cannabis. There are, however, several hundred applicants for licenses. The number of licenses granted could have an impact on the operations of NMC. Because of the early stage of the industry in which NMC operates, NMC expects to face additional competition from new entrants. According to Health Canada, as of May 31, 2018 there are 105 Licensed Producers, 57 of which are in Ontario. If the number of users of medical cannabis in Canada increases, the demand for products will increase and NMC expects that competition will become more intense, as current and future competitors begin to offer an increasing number of diversified products.

Environmental Regulations and R***isks***

NMC's operations are subject to environmental regulations. These regulations mandate, among other things, the maintenance of air and water quality standards. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, approval and permitting requirements, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect NMC's operations.

Limited Operating History

NMC though incorporated in 2005, only entered the medicinal cannabis industry upon the submission of its MMPR application in October, 2013 and has yet to commence sales. NMC is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources, lack of revenues and ability to secure customers. There is no assurance that NMC will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

Risks Inherent in an Agricultural Business

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

Reliance on a Single Location

To date, NMC's activities and resources are focused on the premises in Middlesex County, Ontario. NMC expects to continue the focus on this facility for the foreseeable future. Adverse changes or developments affecting the existing facility and location could have a material and adverse effect on NMC's ability to continue producing medical cannabis, its business, financial condition and prospects.

The location of NMC's existing facility is also subject to purchase and lease-back held by Ms. Rombouts and Mr. Burch. If such option is exercised, NMC will become subject to risks associated with the landlords adhering to the terms of the lease.

Third Party Transportation

In order for customers of NMC to receive their product, NMC must rely on third party transportation services. This can cause logistical problems with and delays in customers obtaining their orders and cannot be directly controlled by NMC. Any delay by third party transportation services may adversely affect NMC's financial performance.

Moreover, security of the product during transportation to and from the NMC's facilities is critical due to the nature of the product. A breach of security during transport could have material adverse effects on NMC's business, financials and prospects. Any such breach could impact NMC's ability to continue operating under its licenses or the prospect of renewing its licenses.

Retention and Acquisition of Skilled Personnel

The success of NMC is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management (each, a "**Key Person**", and collectively, the "**Key Personnel**"). NMC's future success depends on its continuing ability to attract, develop, motivate and retain highly qualified and skilled employees. Qualified individuals are in high demand, and NMC may incur significant costs to attract and retain them. The loss of the services of a Key Person, or an inability to attract other suitably qualified persons when needed, could have a material adverse effect on the NMC's ability to execute on its business plan and strategy, and NMC may be unable to find adequate replacements on a timely basis, or at all. Further, as a Licensed Producer, each Key Person is subject to a security clearance by Health Canada. Under the ACMPR a security clearance cannot be valid for more than five years and must be renewed before the expiry of a current security clearance. There is no assurance that any of NMC's existing personnel who presently or may in the future require a security clearance will be able to obtain or renew such clearances or that new personnel who require a security clearance will be able to obtain one. A failure by a Key Person to maintain or renew his or her security clearance, would result in a material adverse effect on NMC's business, financial condition and results of operations. In addition, if a Key Person leaves the NMC, and NMC is unable to find a suitable replacement that has a security clearance required by the ACMPR in a timely manner, or at all, there could occur a material adverse effect on NMC's business, financial condition and results of operations. While employment agreements are customarily used as a primary method of retaining the services of Key Personnel, these agreements cannot assure the continued services of such employees.

Demand for Product and Negative Consumer Perception

NMC believes the medical cannabis industry is highly dependent upon consumer perception regarding the medical benefits, safety, efficacy and quality of the cannabis distributed for medical purposes to such consumers. Consumer perception of medicinal marijuana can be significantly influenced by scientific research or findings, regulatory investigations, litigation, political statements both in Canada and in other countries, media attention and other publicity (whether or not accurate or with merit) regarding the consumption of cannabis products for medical purposes, including unexpected safety or efficacy concerns arising with respect to the products of NMC or its competitors. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favorable to the medical cannabis market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favorable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for NMC's products and the business, results of operations and financial condition of NMC. NMC's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity (whether or not accurate or with merit), could have a material adverse effect on any demand for NMC's products which could have a material adverse effect on NMC's business, financial condition and results of operations. Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of cannabis for medical purposes in general, or NMC's products specifically, or associating the consumption of cannabis with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products legally, appropriately or as directed.

Product Liability

As a distributor of products designed to be ingested or inhaled by humans, NMC faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused damages, loss or injury. In addition, the sale of NMC's products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Adverse reactions resulting from human consumption of NMC's products alone or in combination with other medications or substances could occur. NMC may be subject to various product liability claims, including, among others, that NMC's products caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning health risks, possible side effects or interactions with other substances. A product liability claim or regulatory action against NMC could result in increased costs, could adversely affect NMC's reputation with its clients and consumers generally, and could have a material adverse effect on the results of operations and financial condition of NMC. There can be no assurances that NMC will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of NMC's potential products.

Product Recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product or manufacturing defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labelling disclosure. If any of NMC's products are recalled due to an alleged product or manufacturing defect or for any other reason, NMC could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. NMC may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although NMC has detailed procedures in place for testing its products and following good production practices required by the ACMPR, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of NMC's brands were subject to recall, the image of that brand and NMC could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for NMC's products and could have a material adverse effect on the results of operations and financial condition of NMC. Additionally, product recalls may lead to increased scrutiny of NMC's operations by Health Canada or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Results of Future Clinical Research

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

Insurance Coverage

NMC has insurance to protect its assets, operations and employees. While NMC believes its insurance coverage addresses all material risks to which it is exposed and is adequate and customary in its current state of operations, such insurance is subject to coverage limits and exclusions and may not be available for the risks and hazards to which NMC is exposed. In addition, no assurance can be given that such insurance will be adequate to cover NMC's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If NMC were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if NMC were to incur such liability at a time when it is not able to obtain liability insurance, there could be a material adverse effect on NMC's business, financial condition and results of operation.

Regulatory or Agency Proceedings, Investigations and Audits

NMC's business requires compliance with many laws and regulations. Failure to comply with these laws and regulations could subject NMC to regulatory or agency proceedings or investigations and could also lead to damage awards, fines, penalties or revocation of its License. NMC may become involved in a number of government or agency proceedings, investigations, inspections and audits. The outcome of any regulatory or agency proceedings, investigations, inspections, audits, and other contingencies could result in a revocation or suspension of NMC's License, harm NMC's reputation, require NMC to take, or refrain from taking, actions that could harm its operations or require NMC to pay substantial amounts of money, harming its financial condition. There can be no assurance that any pending or future regulatory or agency proceedings, investigations and audits will not result in substantial costs or a diversion of management's attention and resources or have a material adverse impact on NMC's business, financial condition and results of operation.

Litigation

NMC may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which NMC becomes involved be determined against

NMC, such a decision could adversely affect NMC's ability to continue operating and the value of the Common Shares and could use significant resources. Even if NMC is involved in litigation and wins, litigation can redirect significant NMC resources, including the time and attention of management and available working capital. Litigation may also create a negative perception of NMC's brand.

Constraints on Marketing Products

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

Fraudulent or Illegal Activity by its Employees, Contractors and Consultants

NMC is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to NMC that violates: (i) government regulations; (ii) manufacturing standards; (iii) federal and provincial healthcare fraud and abuse laws and regulations; or (iv) laws that require the true, complete and accurate reporting of financial information or data. It is not always possible for NMC to identify and deter misconduct by its employees and other third parties, and the precautions taken by NMC to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting NMC from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against NMC, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on our business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of NMC's operations, any of which could have a material adverse effect on NMC's business, financial condition and results of operations.

Breaches of Security at its Facilities or in Respect of Electronic Documents

Given the nature of NMC's product and its lack of legal availability outside of channels approved by the Canadian Federal Government, as well as the concentration of inventory in its facilities, despite meeting or exceeding Health Canada's security requirements, there remains a risk of shrinkage as well as theft. A security breach at one of NMC's facilities could expose NMC to additional liability and to potentially costly litigation, a revocation or suspension of its License, increase expenses relating to the resolution and future prevention of these breaches and may deter potential patients from choosing NMC's products.

In addition, if NMC sells directly to registered patients or customers, NMC may collect and store personal information about such individuals and would then be responsible for protecting that information from privacy breaches. A privacy breach may occur through procedural or process failure, information technology malfunction, or deliberate unauthorized intrusions. Theft of data for competitive purposes, particularly patient lists and preferences, is an ongoing risk whether perpetrated via employee collusion or negligence or through deliberate cyber-attack. Any such theft or privacy breach would have a material adverse effect on NMC's business, financial condition and results of operations.

History of Losses

NMC incurred losses in prior periods. NMC may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, NMC expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If NMC's revenues do not commence as anticipated so as to offset these expected increases in costs and operating expenses, NMC will may not achieve profitability.

Fluctuating Prices of Raw Materials

NMC's anticipated revenues will in large part be derived from the production, sale and distribution of cannabis. The price of production, sale and distribution of cannabis will fluctuate widely due to how young the cannabis industry is and is affected by numerous factors beyond NMC's control including international, economic and political trends, taxation, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new production and distribution developments and improved production and distribution methods. The effect of these factors on the price of product produced by NMC and, therefore, the economic viability of any of NMC's business, cannot accurately be predicted.

Intellectual Property

The success of NMC's business depends in part on its ability to protect its ideas and technology. NMC has no patented technology at this time nor has it applied to register any patents. NMC has not filed any trademarks at this time nor has it applied for any trademarks. Even if NMC moves to protect its technology with trademarks, patents, copyrights or by other means, NMC is not assured that competitors will not develop similar technology, business methods or that NMC will be able to exercise its legal rights. Other countries may not protect intellectual property rights to the same standards as does Canada. Actions taken to protect or preserve intellectual property rights may require significant financial and other resources such that said actions have a meaningfully impact our ability to successfully grow our business.

Financial and Accounting

Access to Capital

In executing its business plan, NMC makes, and will continue to make, substantial investments and other expenditures related to acquisitions, research and development and marketing initiatives. Since its incorporation, NMC has financed these expenditures through offerings of its equity securities and debt financing. NMC will have further capital requirements and other expenditures as it proceeds to expand its business or take advantage of opportunities for acquisitions or other business opportunities that may be presented to it. NMC may incur major unanticipated liabilities or expenses. NMC can provide no assurance that it will be able to obtain financing to meet the growth needs of NMC.

Estimates or Judgments Relating to Critical Accounting Policies

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. NMC bases its estimates on historical experience and on various other assumptions that it believes to be reasonable under the circumstances, as provided in the notes to the NMC Financial Statements set forth in Schedule C, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. NMC's operating results may be adversely affected if the assumptions change or if actual circumstances differ from those in the assumptions, which could cause NMC's operating results to fall below the expectations of securities analysts and investors, resulting in a decline in the share price of the Resulting Issuer. Significant assumptions and estimates used in preparing the financial statements include those related to the credit quality of accounts receivable, income tax credits receivable, share based payments, impairment of non-financial assets, fair value of biological assets, as well as revenue and cost recognition.

Common Shares and Completion of the Qualifying Transaction

Market for the Common Shares

There can be no assurance that an active trading market for the Common Shares will develop or, if developed, that any market will be sustained. NMC cannot predict the prices at which the Common Shares will trade. The price of the NMC Common Shares and QT Subscription Receipts issued pursuant to the QT Equity Financings were determined by arms' length negotiations and might not bear any relationship to the market price at which the Common Shares will trade or to any other established criteria of the value of NMC's business. Fluctuations in the market price of the Common Shares could cause an investor to lose all or part of their investment in Common Shares. Factors that could cause fluctuations in the trading price of the Common Shares include: (i) announcements of new offerings, products, services or technologies; commercial relationships, acquisitions or other events by the Resulting Issuer or its competitors; (ii) price and volume fluctuations in the overall stock market from time to time; (iii) significant volatility in the market price and trading volume of agriculture companies; (iv) fluctuations in the trading volume of the Common Shares or the size of the Resulting Issuer's public float; (v) actual or anticipated changes or fluctuations in the Resulting Issuers results of operations; (vi) whether NMC's results of operations meet the expectations of securities analysts or investors; (vii) actual or anticipated changes in the expectations of investors or securities analysts; (viii) litigation involving the Resulting Issuer, its industry, or both; (ix) regulatory developments in Canada and other jurisdictions in which NMC may operate; (x) general economic conditions and trends; (xi) major catastrophic events; (xii) escrow releases, sales of large blocks of the Common Shares; (xiii) departures of key employees or members of management; or (xiv) an adverse impact on NMC from any of the other risks cited herein.

No History of Payment of Cash Dividends

NMC has never declared or paid cash dividends on the Common Shares. Upon Completion of the Qualifying Transaction, NMC intends to retain future earnings to finance the operation, development and expansion of the business. NMC does not anticipate paying cash dividends on the Common Shares in the foreseeable future. Payment of future cash dividends, if any, will be at the discretion of the Board and will depend on the Resulting Issuer's financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors that the Board considers relevant.

Reporting Issuer Status

From the date of incorporation to the date of this Filing Statement, NMC has not been subject to the continuous and timely disclosure requirements of Canadian securities laws or other rules, regulations and policies of the TSXV. As a reporting issuer, the Resulting Issuer will be subject to reporting requirements under applicable securities law and stock exchange policies. NMC is working with its legal, accounting and financial advisors to identify those areas in which changes should be made to NMC's financial management control systems to manage its obligations as a subsidiary of a public company. Compliance with these requirements will increase legal and financial compliance costs, make some activities more difficult, time consuming or costly and increase demand on existing systems and resources. Among other things, the Resulting Issuer will be required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm the Resulting Issuer's business and results of operations. The Resulting Issuer may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses. Management of NMC expects that being a reporting issuer will make it more expensive to maintain director and officer liability insurance. This factor could also make it more difficult for the Resulting Issuer to retain qualified directors and executive officers.

Significant Sales of Common Shares

Although the Common Shares held by existing shareholders of Carlaw and the Common Shares issued in connection with the exchange of the NMC Common Shares will be freely tradable under applicable securities legislation, the Common Shares held by NMC's directors, executive officers, Control Persons and certain other securityholders of NMC may be subject to contractual lock-up restrictions and may also be subject to escrow and seed share resale restrictions ("**SSRR**") pursuant to the policies of the TSXV. Sales of a substantial number of the Common Shares in the public market after the expiry of lock-up, SSRR or escrow restrictions, or the perception that these sales could occur, could adversely affect the market price of the Common Shares and may make it more difficult for investors to sell the Common Shares at a favourable time and price.

Analyst Coverage

The trading market for the Common Shares will, to some extent, depend on the research and reports that securities or industry analysts publish about the Resulting Issuer or its business. The Resulting Issuer will not have any control over these analysts. If one or more of the analysts who covers the Resulting Issuer should downgrade the Common Shares or change their opinion of the Resulting Issuer's business prospects, the Resulting Issuer's share price would likely decline. If one or more of these analysts ceases coverage of the Resulting Issuer or fails to regularly publish reports on the Resulting Issuer, the Resulting Issuer could lose visibility in the financial markets, which could cause the Resulting Issuer's share price or trading volume to decline.

Tax Issues

There may be income tax consequences in relation to the Common Shares, which will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisers.

Completion of the Qualifying Transaction is Subject to Conditions Precedent

The Completion of the Qualifying Transaction is subject to a number of conditions precedent, including the approval by the TSXV, NMC shareholders and regulatory authorities. Certain of such conditions precedent are outside the control of either or both of Carlaw and NMC, and there can be no assurance that these conditions will be satisfied.

Termination of the Amalgamation Agreement

The Amalgamation Agreement specifies that the parties' obligation to effect the Amalgamation is conditional upon the satisfaction of a number of conditions, including receipt of all required regulatory approvals. If any of these conditions are not satisfied or waived, the Amalgamation may not be completed. Each of Carlaw and NMC has the right, in certain circumstances, in addition to termination rights relating to the failure to satisfy the conditions of Closing, to terminate the Definitive Agreement. Accordingly, Carlaw or NMC cannot provide any assurance, that the Definitive Agreement will not be terminated by either of Carlaw or NMC prior to the completion of the Amalgamation.

Potential Undisclosed Liabilities Associated with the Amalgamation

Upon completion of the Amalgamation, NMC will be a direct and wholly-owned subsidiary of the Resulting Issuer and will continue to have the liabilities that existed prior to completion of the Amalgamation. There may be liabilities of NMC that Carlaw failed to discover or was unable to accurately assess or quantify in its due diligence.

PART V – GENERAL MATTERS

Auditor, Transfer Agent and Registrar

On Completion of the Qualifying Transaction, the auditor of the Resulting Issuer is expected to be MNP LLP, Chartered Professional Accountants, located at 111 Richmond Street West, Suite 300, Toronto, Ontario M5H 2G4.

On Closing, TSX Trust Company located at 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada, M5H 4H1 will be transfer agent and registrar for the Resulting Issuer on Completion of the Qualifying Transaction.

Sponsorship

Sponsorship for the Qualifying Transaction is required by TSXV policies, unless an exemption is granted. The TSXV granted an exemption from the sponsorship requirements.

Experts

No experts, including individuals or companies who are named as having prepared or certified a part of this Filing Statement or prepared or certified a report or valuation described or included in this Filing Statement have, or will have immediately following completion of the Amalgamation, any direct or indirect interest in the Resulting Issuer or NMC.

Other Material Facts

Carlaw is not aware of any other material facts relating to Carlaw, NMC or the Resulting Issuer or to the Qualifying Transaction that are not disclosed under the preceding items and are necessary in order for this Filing Statement to contain full, true and plain disclosure of all material facts relating to Carlaw, NMC and the Resulting Issuer, assuming Completion of the Qualifying Transaction, other than those set forth herein.

Board Approval

The Board has approved this Filing Statement. Where information contained in this Filing Statement rests particularly within the knowledge of a Person other than Carlaw, Carlaw has relied upon information furnished by such Person.

ACKNOWLEDGMENT OF PERSONAL INFORMATION

"Personal Information" means any information about an identifiable individual, and includes information contained in any Items in the attached to the filing statement that are analogous to Items 4.2, 11, 12.1, 15, 17.2, 18.2, 23, 24, 26, 31.3, 32, 33, 34, 35, 36, 37, 38, 40 and 41 of the TSX Venture Exchange (the "**TSXV**") Form 3B2, as applicable.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

(a) the disclosure of Personal Information by the undersigned to the TSXV pursuant to this TSXV Form 3B2; and

(b) the collection, use and disclosure of Personal Information by the TSXV for the purposes described in Appendix 6B or as otherwise identified by the TSXV, from time to time.

DATED June 18, 2018

(signed) "*Amar Bhalla*"

Amar Bhalla, Chief Executive Officer, Chief Financial Officer, Director

CERTIFICATE OF CARLAW CAPITAL V CORP.

DATED June 18, 2018

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of Carlaw Capital V Corp. assuming Completion of the Qualifying Transaction.

(signed) "*Amar Bhalla*"
Amar Bhalla, Chief Executive Officer, Chief Financial Officer, Director

ON BEHALF OF THE BOARD OF DIRECTORS OF
CARLAW CAPITAL V CORP.

(signed) "*Ravi Sood*"
Ravi Sood, Director

(signed) "*Richard Kimel*"
Richard Kimel, Director

CERTIFICATE OF 1600978 ONTARIO INC.

DATED June 18, 2018

The foregoing as it relates to 1600978 Ontario Inc. constitutes full, true and plain disclosure of all material facts relating to the securities of 1600978 Ontario Inc.

(signed) "*Melinda Rombouts*"	(signed) "*Jacqueline Scott*"
Melinda Rombouts	Jacqueline Scott
President and Chief Executive Officer	Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF 1600978 ONTARIO INC.

(signed) "*Melinda Rombouts*"	(signed) "*David Burch*"
Melinda Rombouts	David Burch
Director	Director

SCHEDULE A
FINANCIAL STATEMENTS OF CARLAW

(see attached)

Carlaw Capital V Corp.

(A Capital Pool Company)

Interim Condensed Financial Statements

Three months ended March 31, 2018

(Unaudited)

Carlaw Capital V Corp.
(A Capital Pool Company)
(Unaudited)
Three months ended March 31, 2018 and March 31, 2017

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Carlaw Capital V Corp.
(A Capital Pool Company)
Condensed interim statements of operations and comprehensive loss
For the three months ended March 31, 2018 and March 31, 2017
(Unaudited - in Canadian dollars)

	Three months ended March	
	2018	2017
	$	$
Expenses		
Professional fees	**7,435**	11,697
Office and general	**13,849**	14,985
	21,284	26,682
Loss per share		
Basic and diluted	**0.01**	0.01
Weighted average number of shares outstanding		
Basic and diluted	**3,180,000**	4,065,555

The accompanying notes are an integral part of the condensed interim financial statements

Carlaw Capital V Corp.
(A Capital Pool Company)
Condensed interim statements of financial position
As at March 31, 2018 and December 31, 2017
(Unaudited - In Canadian dollars)

	March 31, 2018	December 31, 2017
	$	$
Assets		
Current assets		
Cash and cash equivalents	217,117	234,680
Total assets	**217,117**	**234,680**
Liabilities		
Current liability		
Trade and other payables	25,302	21,581
Total liabilities	**25,302**	**21,581**
Equity		
Share capital (Note 3)	495,171	495,171
Options reserve (Note 3)	66,433	66,433
Deficit	(369,789)	(348,505)
Total equity	**191,815**	**213,099**
Total liabilities and equity	**217,117**	**234,680**

Nature of operations (Note 1)

The accompanying notes are an integral part of the condensed interim financial statements

Approved on behalf of the Board of Directors

"Amarh Bhalla" (signed)　　　　"Ravi Sood" (signed)

Carlaw Capital V Corp.

(A Capital Pool Company)

Condensed interim statements of changes in shareholders' equity

For the three months ended March 31, 2018 and March 31, 2017

(Unaudited - In Canadian dollars)

	Number of shares	Share Capital	Options Reserve	Deficit	Shareholders' Equity
		$	$	$	$
Balance, December 31, 2016	**4,000,000**	**440,361**	**85,243**	**(245,623)**	**279,981**
Shares issued on the exercise of options	180,000	54,810	18,810	-	36,000
Net loss and comprehensive loss for the period	-	-	-	(26,682)	(26,682)
Balance, March 31, 2017	**4,180,000**	**495,171**	**66,433**	**(272,305)**	**289,299**
Balance, December 31, 2017	**3,180,000**	**495,171**	**66,433**	**(348,505)**	**213,099**
Net loss and comprehensive loss for the year	-	-	-	(21,284)	(21,284)
Balance, March 31, 2018	**3,180,000**	**495,171**	**66,433**	**(369,789)**	**191,815**

The accompanying notes are an integral part of the condensed interim financial statements.

Carlaw Capital V Corp.

(A Capital Pool Company)
Condensed interim statements of cash flows
For the three months ended March 31, 2018 and March 31, 2017
(Unaudited - In Canadian dollars)

	March 31, 2018	March 31, 2017
	$	$
Operating activities		
Net loss for the period	**(21,284)**	(26,682)
(Increase) in prepaid expenses	**-**	(4,407)
Increase in trade and other payables	**3,721**	3,735
Cash provided by operating activities	**(17,563)**	(27,355)
Financing activities		
Proceeds from share issuance	**-**	36,000
Cash provided by financing activities	**-**	36,000
Increase (decrease) in cash and cash equivalents	**(17,563)**	8,645
Cash and cash equivalents, beginning of the period	**234,680**	301,384
Cash and cash equivalents, end of the period	**217,117**	310,030
Cash and cash equivalents consists of		
Cash	**216,357**	309,270
Trust account	**760**	760
	217,117	310,030

The accompanying notes are an integral part of the condensed interim financial statements

1. Nature of Operations

Carlaw Capital V Corp. (the “Corporation” or “Carlaw”) was incorporated under the *Business Corporations Act* (Ontario) on June 6, 2014 with the intent of being classified as a Capital Pool Company (“CPC”) as defined in Policy 2.4 of the TSX Venture Exchange (the “Exchange”). The Corporation has no assets other than cash and cash equivalents. The Corporation proposes to identify and evaluate potential acquisitions or businesses (for a “Qualifying Transaction”), and once identified and evaluated, to negotiate an acquisition or participation.

On February 7, 2017, the Exchange extended the deadline for the Corporation to complete its Qualifying Transaction from February 6, 2017 to May 9, 2017. On April 7, 2017, the Corporation received conditional approval from the Exchange to extend the deadline for the Corporation to complete a Qualifying Transaction from May 9, 2017 to November 9, 2017, subject to receiving requisite shareholder approval. On May 5, 2017, the Corporation received the requisite shareholder approval. In accordance with the requirements of the Exchange, on November 8, 2017, the Corporation (i) cancelled 1,000,000 seed shares purchased by Non-Arm’s Length Parties, as such term is defined in the policies of the Exchange, and (ii) applied to transfer the listing of the Corporation’s common shares (each, a “Common Share”) from the Exchange to the NEX trading board of the Exchange. On November 14, 2017, the Corporation’s listing was transferred to the NEX trading board of the Exchange.

The Company applies International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee. These unaudited interim condensed financial statements have been prepared in accordance with International Accounting Standard 34-Interim Financial Reporting. Accordingly, they do not include all the information required for full annual financial statements.

The same accounting policies and methods of computation are followed in these unaudited interim condensed financial statements as compared with the most recent annual consolidated financial statements as at December 31, 2017 and for the year ended December 31, 2017, except as noted below. Any subsequent changes to IFRS that are given effect in the Company’s annual financial statements for the year ended December 31, 2018 could result in restatement of these unaudited condensed interim financial statements. These adjustments could be material.

These unaudited condensed interim financial statements have been prepared with the assumption that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. These unaudited condensed interim financial statements do not give effect to adjustments that would be necessary to the carrying amounts and classification of assets and liabilities should the Corporation be unable to continue as a going concern.

The address of the registered office, as at March 31, 2018, is 268 Royal York Rd, Etobicoke, ON M8V 2V9.

These unaudited condensed interim financial statements were approved and authorized for issuance by the Board of Directors on May 29, 2018.

2. Cash and Cash Equivalents

Once the Corporation has been successful in being classified as a Capital Pool Company, the proceeds raised from the issuance of capital stock may only be used to identify and evaluate assets or businesses for future investments, with the exception that not more than the lesser of 30% of the gross proceeds from the sale of all securities issued by the Corporation or $210,000 may be used to cover prescribed costs of issuing the Common Shares or administrative and general expenditures of the Corporation. These restrictions apply until completion of a Qualifying Transaction by the Corporation as defined under the policies of the Exchange. The Company has exceeded this limit but has not yet completed its Qualifying Transaction. There are potential implications associated with exceeding this limit which are ultimately dependent on the Exchange.

3. Share Capital

Authorized Unlimited Common Shares

On June 6, 2014 (the date of incorporation), the Company issued 2,000,000 Common Shares at $0.10 per share for total cash consideration of $200,000. On February 5, 2015, the Corporation completed an initial public offering of 2,000,000 Common Shares at $0.20 per share for gross proceeds of $400,000. The Company incurred $152,082 in share issuance costs of which $20,902 was from options issued to the agents for completion of the IPO. The Common Shares began trading on the Exchange on February 5, 2015 under the trading symbol "CVC.P".

Escrow shares

All of the 2,000,000 Common Shares issued prior to the offering and all Common Shares that may be acquired from treasury of the Corporation by non-arm's length parties, as defined in the policies of the Exchange prior to the completion of the Qualifying Transaction will be deposited with the trustee under the escrow agreement.

On November 14, 2017, 1,000,000 seed shares held by Non-Arm's Length Parties were cancelled, resulting in a remaining 1,000,000 seed shares left in escrow.

All Common Shares acquired upon exercise of stock options prior to the completion of a Qualifying Transaction must also be deposited in escrow until the final exchange bulletin is issued, following which the Common Shares will be released from escrow in accordance with the terms of the escrow agreement.

All Common Shares acquired in the secondary market prior to the completion of a Qualifying Transaction by a control person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the resulting issuer following the Qualifying Transaction will also be escrowed.

Stock options

The directors of the Corporation have approved a stock option plan (the "Plan") for the directors, officers, employees and consultants of the Corporation. The outstanding options granted under the Plan are exercisable for a period of up to 10-years from the date of grant. The exercise price of the options shall be determined by the board at the time of grant. The aggregate number of shares issuable upon the exercise of all options granted under the plan shall not exceed 10% of the issued and outstanding Common Shares from time to time. The number of Common Shares reserved for issuance to (a) any individual director or officer will not exceed 5% of the issued and outstanding Common Shares, and (b) all technical consultants will not exceed 2% of the issued and outstanding Common Shares.

On February 5, 2015, the Corporation granted 320,000 options to purchase Common Shares to directors and officers and also granted 40,000 options to an eligible charitable organization, at an exercise price of $0.20 per share, vesting immediately and exercisable for a period of 10 years from the date of grant.

On February 5, 2015, the Corporation also granted options to its agent in connection with the initial public offering to purchase up to 200,000 Common Shares at $0.20 per share, exercisable for a period of 24 months from the date of listing of the Common Shares on the Exchange.

The Black-Scholes option valuation model used by the Corporation is based on subjective input assumptions with regards to the expected average volatility. Any changes to these assumptions can cause a significant variation in the estimate of the fair value of the options. No forfeitures of outstanding options are expected. The fair value of the options granted at the time of granting is approximately $0.20 per option assuming an average volatility of 100% on the underlying shares, an exercise price of $0.20, a risk-free interest rate of 0.43% to 1.35%, and an expected dividend rate of 0% and an expected life of 2 to 10 years. The Corporation recognized a value of $64,341 stock-based compensation expense associated with issuance of the 360,000 options and $20,902 for the issuance of 200,000 agent options which are recorded in share issuance cost.

During the period ended March 31, 2017, 180,000 options with an exercise price of $0.20 and expiry date of February 4, 2017 were exercised for cash proceeds of $36,000. An additional 20,000 options expired on February 4, 2017 unexercised.

There were no options issued in the period ended March 31, 2018.

4. Capital management

The Corporation's capital currently consists of Common Shares in the amount of $495,171 as at March 31, 2018. Its principal source of cash is from the issuance of Common Shares. The Corporation's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in a business or assets. The Corporation does not have any externally imposed capital requirements to which it is subject except as more fully defined in Note 2 of the audited financial statements for the year ended December 31, 2017. The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares.

5. Related party transactions

During the period ended March 31, 2018, the Corporation incurred $499 (2017 - $10,002) in legal fees in respect of general corporate matters for services provided by a law firm whose partner is a director of the Corporation. As at March 31, 2018, $9,325 (2017 - $11,685) is included in trade and other payables for these services.

No remuneration was paid to key management personnel during the period ended March 31, 2018.

During the period ended March 31, 2018, a Director of the corporation incurred $9,275 (2017 - $10,930) as expenses. These expenses were incurred on behalf of the corporation in the normal course of business. As on March 31, 2018, $789 (2017 - $2,066) relating to this individual is included in trade and other payables.

6. New accounting policies

Effective January 1, 2018, the company adopted IFRS 9. The standard requires classification of financial assets into two measurements categories based on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. The categories are those measured at fair value and those measured at amortized cost.

The classification and measurement of financial liabilities is primary unchanged from IAS 39, other than the fair value measurement option which now addresses an entity's own credit risk. Additional amendments are expected with respect to de-recognition of financial instruments, impairment and hedge accounting. The Company adopted IFRS 9 on a retrospective basis, however, this guidance had no impact to the Company's financial statements.

Effective January 1, 2018, the company adopted IFRS 15. In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers, which establishes principles for reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. The core principle of IFRS 15 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

IFRS 15 also includes a cohesive set of disclosure requirements that would result in an entity providing comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The Company adopted IFRS 15 on a retrospective basis, however, this guidance had no impact to the Company's financial statements.

Accounting standards issued but not yet applied

In January 2016, the IASB issued IFRS 16, replacing IAS 17, "Leases". IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its balance sheet, providing the reader with greater transparency of an entity's lease obligations. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted. The changes resulting from the implementation of IFRS 16 will not have a material impact on the Corporation's financial statements.

7. Financial Instruments

Fair Values

At December 31, 2017, the Corporation's financial instruments consist of trade and other payables. The fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments which are repayable in one year.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Corporation to concentrations of credit risks consist principally of cash and cash equivalents. To minimize the credit risk the Corporation places these instruments with a high credit quality financial institution.

Interest Rate Risk

The Corporation is not exposed to any significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation currently settles its financial obligations out of cash. The ability to do this relies on the Corporation raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs and to meet the corporation's liabilities. The $25,302 (2017 - $21,581) of trade and other payables are due within one year.

8. Proposed Qualifying Transaction

The Corporation entered into a definitive acquisition agreement (the "**Definitive Agreement**") with 1600978 Ontario Inc., which operates as Natural MedCo ("**NMC**"), on October 23, 2017.

As consideration for the acquisition of all of the outstanding common shares in the capital of NMC (the "**NMC Common Shares**") pursuant to the Definitive Agreement, the holders of the NMC Common Shares will receive one Common Share for each NMC Common Share held at a deemed price of $0.25 per Common Share.

The completion of the transaction proposed under the Definitive Agreement is subject to a number of conditions precedent, including but not limited to satisfactory due diligence review, applicable approvals by the board of directors and shareholders of NMC and Corporation, obtaining any requisite third party approvals, Exchange acceptance and the completion of a private placement to enable the Corporation to meet the Exchange's Tier 1 Minimum Listing Requirements (as such is defined pursuant to the policies of the Exchange). On April 27, 2018, the Corporation held a meeting of its shareholders to approve certain matters related to the transactions contemplated by the Definitive Agreement including the (i) reconstitution of its board of directors; and (ii) the split of the issued and outstanding Common Shares on a two for one basis, conditional upon closing and applicable regulatory approvals.

Carlaw Capital V Corp.
(A Capital Pool Company)
Financial Statements
December 31, 2017 and 2016

Carlaw Capital V Corp.
(A Capital Pool Company)
For the years ended December 31, 2017 and 2016

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Independent Auditors' Report

To the Shareholders of Carlaw Capital V Corp. (A Capital Pool Company)

Report on the Financial Statements

We have audited the accompanying financial statements of Carlaw Capital V Corp., which comprise the statement of financial position as at December 31, 2017 and 2016, and the statement of operations and comprehensive loss, statement of changes in shareholders' equity and statement of cash flows for the years ended December 31, 2017 and 2016 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Carlaw Capital V Corp. as at December 31, 2017 and 2016, and its financial performance and its cash flows for the years ended December 31, 2017 and 2016 in accordance with International Financial Reporting Standards.

MNP LLP

Toronto, Ontario
April 3, 2018

Chartered Professional Accountants
Licensed Public Accountants

MNP LLP

Carlaw Capital V Corp.

(A Capital Pool Company)

Statements of operations and comprehensive loss

For the years ended December 31, 2017 and December 2016

(In Canadian dollars)

	December 31, 2017	December 31, 2016
	$	$
Expenses		
Professional fees	**46,745**	43,297
Office and general	**56,137**	59,383
Interest expense	**-**	141
Net Loss	**102,882**	102,821
Loss per share		
Basic and diluted	**0.03**	0.03
Weighted average number of common shares outstanding		
Basic and diluted	**4,031,726**	4,000,000

The accompanying notes are an integral part of these financial statements

Carlaw Capital V Corp.
(A Capital Pool Company)
Statements of financial position
As at December 31, 2017 and December 31, 2016
(In Canadian dollars)

	December 31, 2017	December 31, 2016
	$	$
Assets		
Current assets		
Cash and cash equivalents	**234,680**	301,384
Total assets	**234,680**	301,384
Liabilities		
Current liability		
Trade and other payables	**21,581**	21,403
Total liabilities	**21,581**	21,403
Equity		
Share capital (Note 4)	**495,171**	440,361
Options reserve (Note 4)	**66,433**	85,243
Deficit	**(348,505)**	(245,623)
Total equity	**213,099**	279,981
Total liabilities and equity	**234,680**	301,384

Nature of operations (Note 1)

The accompanying notes are an integral part of these financial statements

Approved on behalf of the Board

Amar Bhalla

Carlaw Capital V Corp.

(A Capital Pool Company)

Statements of changes in shareholders' equity

For the years ended December 31, 2017 and December 31,2016

(In Canadian dollars)

	Number of shares	Share Capital	Options Reserve	Deficit	Shareholders' Equity
		$	$	$	$
Balance, December 31, 2015	**4,000,000**	**447,918**	**85,243**	**(142,802)**	**390,359**
Cost of issuance		(7,557)			(7,557)
Net loss and comprehensive loss for the year				(102,821)	(102,821)
Balance, December 31, 2016	**4,000,000**	**440,361**	**85,243**	**(245,623)**	**279,981**
Shares issued on the exercise of options (Note 4)	180,000	54,810	18,810	-	36,000
Net loss and comprehensive loss for the year	-	-	-	(102,882)	(102,882)
Cancellation of Shares (Note 4)	(1,000,000)				
Balance, December 31, 2017	**3,180,000**	**495,171**	**66,433**	**(348,505)**	**213,099**

The accompanying notes are an integral part of these financial statements.

Carlaw Capital V Corp.

(A Capital Pool Company)

Statements of Cash Flows

For the years ended December 31, 2017 and December 31, 2016

(In Canadian dollars)

	December 31, 2017	December 31, 2016
	$	$
Operating activities		
Net loss for the year	**(102,882)**	(102,821)
(Increase) in other receivables	**-**	12,274
(Increase) in trade and other payables	**178**	4,163
Cash provided by operating activities	**(102,704)**	(86,384)
Financing activities		
Proceeds from share issuance	**36,000**	-
Amount paid for share issuance costs	**-**	(7,557)
Cash provided by financing activities	**36,000**	(7,557)
Decrease in cash and cash equivalents	**(66,704)**	(93,941)
Cash and cash equivalents, beginning of the year	**301,384**	395,325
Cash and cash equivalents, end of the year	**234,680**	301,384
Cash and cash equivalents consists of		
Cash	**233,920**	300,624
Trust account	**760**	760
	234,680	301,384

The accompanying notes are an integral part of these financial statements

1. Nature of Operations and going concern

Carlaw Capital V Corp. (the "Corporation" or "Carlaw") was incorporated under the *Business Corporations Act* (Ontario) on June 6, 2014 with the intent of being classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The Corporation has no assets other than cash and cash equivalents. The Corporation proposes to identify and evaluate potential acquisitions or businesses (for a "Qualifying Transaction"), and once identified and evaluated, to negotiate an acquisition or participation.

The Corporation's continuing operations are dependent upon its ability to evaluate and negotiate an agreement to acquire an interest in a material asset or business within twenty-four months of listing on the Exchange. Where an acquisition or participation is warranted, additional funding may be required. The ability of the Corporation to fund its potential future operations and commitments is dependent upon its ability to obtain additional financing.

On February 7, 2017, the Exchange extended the deadline for the Corporation to complete its Qualifying Transaction from February 6, 2017 to May 9, 2017. On April 7, 2017, the Corporation received conditional approval from the Exchange to extend the deadline for the Corporation to complete a Qualifying Transaction from May 9, 2017 to November 9, 2017, subject to receiving requisite shareholder approval. On May 5, 2017, the Corporation received the requisite shareholder approval. In accordance with the requirements of the Exchange, on November 8, 2017, the Corporation (i) cancelled 1,000,000 seed shares purchased by Non-Arm's Length Parties, as such term is defined in the policies of the Exchange, and (ii) applied to transfer the listing of the Corporation's common shares from the Exchange to the NEX trading board of the Exchange. On November 14, 2017, the Corporation's listing was transferred to the NEX trading board of the Exchange.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. These financial statements do not give effect to adjustments that would be necessary to the carrying amounts and classification of assets and liabilities should the Corporation be unable to continue as a going concern.

The address of the registered office, as of the year-end date, is 268 Royal York Rd, Etobicoke, ON M8V 2V9.

These financial statements were approved and authorized for issuance by the Board of Directors on April 3, 2018.

2. Significant accounting policies

Statement of compliance

These financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

Basis of measurement

These financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

2. Significant accounting policies (Continued)

Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Corporation's functional and presentation currency.

Use of estimates and key judgements

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors that are believed to be reasonable under the circumstances. Actual results could differ from these estimates. The key sources of estimation uncertainty that have a significant risk causing material adjustment to the accounts recognized in the financial statements are:

<u>Fair Value of Financial Instruments</u>

The estimated fair values of financial assets and liabilities, by their nature, are subject to measurement uncertainty.

<u>Taxes</u>

Provisions for taxes are made using the best estimate of the amounts expected to be paid based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Income Taxes

Income tax consists of current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to offset the amounts, and the Corporation intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the end of reporting period and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2. Significant accounting policies (Continued)

Share Capital

Common shares are classified as equity. Costs directly attributable to the issuance of shares are recognized as a deduction from equity.

Basic and Diluted Loss per Share

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

Diluted loss per share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted.

Share-based Payments

Equity-settled share-based payments for directors, officers, employees and consultants are measured at fair value at the date of grant and recorded as compensation expense in the financial statements.

The Corporation applies a fair value based method of accounting to all share-based payments. Employee and director stock options are measured at the fair value of each tranche on the grant date and recognized in the respective reporting period. Any consideration paid by directors, officers, employees and consultants on exercise of equity-settled share based payments is credited to share capital. Shares are issued from treasury upon the exercise of equity-settled share-based instruments.

Financial Instruments

Financial assets

The Corporation classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Corporation's accounting policy for each category is as follows:

Fair value through profit or loss - this category comprises derivatives, or assets acquired principally for the purpose of being resold in the near term. They are carried on the statements of financial position at fair value with changes in fair value recognized in the statements of operations and comprehensive loss.

Loans and receivables - these assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

2. Significant accounting policies (Continued)

Financial assets (Continued)

Held-to-maturity investments - these assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Corporation's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statements of operations and comprehensive loss. The amount of the loss is removed from equity and recognized in the statements of operations and comprehensive loss.

Available-for-sale - non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment,

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

The Corporation has classified cash and cash equivalents as financial assets at fair value through profit and loss.

Financial liabilities

The Corporation classifies its financial liabilities into one of two categories, depending on the purpose for which the liabilities were incurred. The Corporation's accounting policy for each category is as follows:

Fair value through profit or loss - this category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried on the statements of financial position at fair value with changes in fair value recognized in the statements of operations and comprehensive loss.

Other financial liabilities - this category includes trade and other payables, all of which are recognized at amortized cost.

The Corporation’s trade and other payables are classified as other financial liabilities.

2. Significant accounting policies (Continued)

Fair Value Hierarchy

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

● Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

● Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

● Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of December 31, 2017, cash and cash equivalents are measured at fair value and are classified within Level 1 of the fair value hierarchy on the statements of financial position.

Accounting standards issued but not yet applied

Certain pronouncements have been issued by the IASB or IFRIC (IFRS Interpretations Committee) that will be effective for future accounting periods. Many of these are not applicable to the Corporation and so are not listed below. The following is a brief summary of the new standards:

IFRS 9 – Financial instruments - amended as part of an ongoing project to replace IAS 39 Financial instruments: Recognition and measurement. The standard requires classification of financial assets into two measurements categories based on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. The categories are those measured at fair value and those measured at amortized cost. The classification and measurement of financial liabilities is primary unchanged from IAS 39, other than the fair value measurement option which now addresses an entity's own credit risk. Additional amendments are expected with respect to de-recognition of financial instruments, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The changes resulting from the implementation of IFRS 9 will not have an affect on the Corporation's financial statements.

IFRS 15 – Revenue from Contracts with Customers - In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers, which establishes principles for reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. The core principle of IFRS 15 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

IFRS 15 also includes a cohesive set of disclosure requirements that would result in an entity providing comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. This standard is effective for annual periods beginning on or after January 1, 2018 with earlier adoption permitted. The changes resulting from the implementation of IFRS 15 will not have an affect on the Corporation's financial statements.

2. Significant accounting policies (Continued)

IFRS 16 – In January 2016, the IASB issued IFRS 16, replacing IAS 17, “Leases”. IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its balance sheet, providing the reader with greater transparency of an entity’s lease obligations. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted.

The changes resulting from the implementation of IFRS 9 and IFRS 15 have no affect on the Corporation’s current financial statements, nor do they have any affect on the future financial statements of the Corporation.

3. Cash and Cash Equivalents

Once the Corporation has been successful in being classified as a Capital Pool Company, the proceeds raised from the issuance of capital stock may only be used to identify and evaluate assets or businesses for future investments, with the exception that not more than the lesser of 30% of the gross proceeds from the sale of all securities issued by the Corporation or $210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenditures of the Corporation. These restrictions apply until completion of a Qualifying Transaction by the Corporation as defined under the policies of the Exchange. The Company has exceeded this limit but has not yet completed its Qualifying Transaction. There are potential implications associated with exceeding this limit which are ultimately dependent on the Exchange.

4. Share capital

Authorized Unlimited Common Shares

On June 6, 2014 (the date of incorporation), the 2,000,000 common shares at $0.10 per share for total cash consideration of $200,000. On February 5, 2015, the Corporation completed an initial public offering of 2,000,000 common shares at $0.20 per share for gross proceeds of $400,000. The Company incurred $152,082 in share issuance cost of which $20,902 was from options issued to the agents for completion of IPO. The Corporation's common shares began trading on the Exchange on February 5, 2015 under the trading symbol "CVC.P"

Escrow shares

All of the 2,000,000 common shares issued prior to the offering and all common shares that may be acquired from treasury of the Corporation by non arm's length parties, as defined in the policies of the Exchange, of the Corporation prior to the completion of the Qualifying Transaction will be deposited with the trustee under the escrow agreement.

On November 14, 2017, 1,000,000 seed shares held by Non-Arm's Length Parties were cancelled, resulting in a remaining 1,000,000 seed shares left in escrow.

All common shares acquired upon exercise of stock options prior to the completion of a Qualifying Transaction must also be deposited in escrow until the final exchange bulletin is issued, following which the common shares will be released from escrow in accordance with the terms of the escrow agreement.

All common shares of the Corporation acquired in the secondary market prior to the completion of a Qualifying Transaction by a control person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the resulting issuer following the Qualifying Transaction will also be escrowed.

4. Share capital (Continued)

Stock options

The directors of the Corporation have approved a stock option plan (the "Plan") for the directors, officers, employees and consultants of the Corporation. The outstanding options granted under the Plan are exercisable for a period of up to 10-years from the date of grant. The exercise price of the options shall be determined by the board at the time of grant. The aggregate number of shares issuable upon the exercise of all options granted under the plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time. The number of common shares reserved for issuance to (a) any individual director or officer will not exceed 5% of the issued and outstanding common shares, and (b) all technical consultants will not exceed 2% of the issued and outstanding common shares.

On February 5, 2015, the Corporation granted 320,000 options to purchase common shares to directors and officers and also granted 40,000 options to an eligible charitable organization, at an exercise price of $0.20 per share, vesting immediately and exercisable for a period of 10 years from the date of grant.

On February 5, 2015, the Corporation also granted options to its agent in connection with the initial public offering to purchase up to 200,000 common shares at $0.20 per share, exercisable for a period of 24 months from the date of listing of the common shares on the Exchange.

The Black-Scholes option valuation model used by the Corporation is based on subjective input assumptions with regards to the expected average volatility. Any changes to these assumptions can cause a significant variation in the estimate of the fair value of the options. No forfeitures of outstanding options are expected. The fair value of the options granted at the time of granting is approximately $0.20 per option assuming an average volatility of 100% on the underlying shares, an exercise price of $0.20, a risk free interest rate of 0.43% to 1.35%, and an expected dividend rate of 0% and an expected life of 2 to 10 years. The Corporation recognized a value of $64,341 stock based compensation expense associated with issuance of the 360,000 options and $20,902 for the issuance of 200,000 agent options which are recorded in share issuance cost.

There were no options issued in the year ended December 31, 2017.

4. Share capital (Continued)

The following table reflects the actual stock options issued and outstanding as of December 31, 2017:

Expiry Date	Exercise Price ($)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
February 4, 2025	0.20	7.10	360,000	360,000
	0.20	7.10	360,000	360,000

During 2017, 180,000 options with an exercise price of $0.20 and expiry date of February 4, 2017 were exercised for cash proceeds of $36,000. An additional 20,000 options expired on February 4, 2017 unexercised.

5. Financial Instruments

Fair Values

At December 31, 2017, the Corporation's financial instruments consist of trade and other payables. The fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments which are repayable in one year.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Corporation to concentrations of credit risks consist principally of cash and cash equivalents. To minimize the credit risk the Corporation places these instruments with a high credit quality financial institution.

6. Financial Instruments (Continued)

Interest Rate Risk

The Corporation is not exposed to any significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation currently settles its financial obligations out of cash. The ability to do this relies on the Corporation raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs and to meet the corporation's liabilities. The $21,581 (2016 - $21,404) of trade and other payables are due within one year.

7. Capital management

The Corporation's capital currently consists of common shares in the amount of $495,171 as at December 31, 2017. Its principal source of cash is from the issuance of common shares. The Corporation's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in a business or assets. The Corporation does not have any externally imposed capital requirements to which it is subject except as more fully defined in Note 3. The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares.

8. Related party transactions

During the year ended December 31, 2017, the Corporation incurred $35,731 (2016 - $27,873) in legal fees in respect of general corporate matters for services provided by a law firm whose partner is a director of the Corporation.

As at December 31, 2017, $11,685 (2016 - $3,737) is included in trade and other payables for these services.

No remuneration was paid to key management personnel during the year ended December 31, 2017.

During 2017, the Director of the corporation incurred $33,557 (2016 - $36,567) as expenses. These expenses were incurred on behalf of the corporation in the normal course of business.

As at December 31, 2017, $2,066 (2016 - $5,801.09) is included in the accounts payable.

8. Income taxes

A reconciliation of combined federal and provincial corporate income taxes of statutory rates of 26.5% and the Corporation's effective income tax expense is as follows:

		2017		2016
Net loss for the year	$	102,882	$	102,821
Expected income tax recovery	$	(27,264)	$	(27,248)
Non-deductible items		2,410		2,328
Share issuance costs and other		5,539		(2,003)
Deferred tax asset not recognised		19,315		26,923
Income taxes recovery	**$**	**-**	**$**	**-**

At December 31, 2017, the Corporation has non – capital losses for income tax purposes of approximately $334,369 (2016 - $229,558) which can be carried forward to be applied against future taxable income. These losses expire to the extent unutilized against future taxable income between 2034 and 2037.The Corporation also had approximately $65,367 in undeducted share issuance costs which will be expensed for tax purposes over the next four years.

The Corporation has not recorded deferred tax assets related to these unused carry forward losses and share issuance costs as it is not probable that future taxable profits will be available against which these can be deducted.

9. Proposed qualifying transaction

The Corporation entered into a definitive acquisition agreement (the "**Definitive Agreement**") with 1600978 Ontario Inc., which operates as Natural Med Company ("**NMC**"), on October 23, 2017.

As consideration for the acquisition of all of the outstanding common shares in the capital of NMC (the "**NMC Common Shares**") pursuant to the Definitive Agreement, the holders of the NMC Common Shares will receive one Common Share for each NMC Common Share held at a deemed price of $0.50 per Common Share.

The completion of the transaction proposed under the Definitive Agreement is subject to a number of conditions precedent, including but not limited to satisfactory due diligence review, applicable approvals by the board of directors and shareholders of NMC and Corporation, obtaining any requisite third party approvals, Exchange acceptance and the completion of a brokered private placement to enable the Corporation to meet the Exchange's Tier 1 Minimum Listing Requirements (as such is defined pursuant to the policies of the Exchange) (the "**Brokered Financing**"). If necessary, the Corporation will hold a meeting of its shareholders to consider certain matters related to the transactions contemplated by the Definitive Agreement including the reconstitution of its board of directors conditional upon closing and applicable regulatory approvals.

In connection with the transaction contemplated by the Definitive Agreement, the Corporation also intends to split the issued and outstanding Common Shares on the basis of two Common Shares for every one outstanding Common Share outstanding.

SCHEDULE B
MD&A OF CARLAW

(see attached)

Carlaw Capital V Corp.
Management's Discussion and Analysis
For the three months ended March 31, 2018 and 2017

FORM 51-102F1

The following management's discussion and analysis ("MD&A") should be read with the Corporation's unaudited interim condensed financial statements and notes thereto for the period ended March 31, 2018. Additional information relating to the Corporation is available on SEDAR at www.sedar.com.

This MD&A was prepared by management of Carlaw Capital V Corp. (the "Corporation"), and is dated May 29, 2018. All amounts are in Canadian dollars unless otherwise stated.

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate" or "believe", are intended to identify forward-looking statements. Such statements reflect the Corporation's forecasts, estimates and expectations, as they relate to the Corporation's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Corporation's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Corporation does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments, unless otherwise required by applicable law.

Description of the Business

The Corporation was incorporated under the *Business Corporations Act* (Ontario) on June 6, 2014 with the intent of being classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). On February 5, 2015, the Corporation completed an initial public offering of 2,000,000 common shares (each, a "Common Share") at $0.20 per share for gross proceeds of $400,000. The Common Shares were listed and posted for trading on the Exchange on February 5, 2015 under the stock symbol "CVC.P".

The Corporation's business is to identify and evaluate businesses and assets with a view to completing a "Qualifying Transaction" as defined in the policies of the Exchange. Any proposed Qualifying Transaction must be accepted by the Exchange and in the case of a non-arm's length Qualifying Transaction is also subject to "majority of the minority approval" in accordance with Policy 2.4 of the Exchange. To date, the Corporation has not conducted commercial operations. While the Corporation has examined, and continues to examine, various businesses with a view to completing a Qualifying Transaction, the Corporation is not specifically considering pursuing a company, asset or business in any specific business or industry sector, or in any particular geographical area, and the Corporation anticipates reviewing companies, assets and businesses in a broad range of industry sectors and geographical areas.

Until completion of a Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction. With the consent of the Exchange, this may include the raising of additional funds in order to finance an acquisition. Except as described in the Corporation's final CPC prospectus dated November 12, 2014, the funds raised pursuant to the Corporation's initial public offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions and not for any deposit, loan or direct investment in a potential acquisition.

The directors of the Corporation have approved a stock option plan (the "Plan") for the directors, officers, employees and consultants of the Corporation. The outstanding options granted under the Plan are exercisable for a period of up to 10 years from the date of grant. The exercise price of the options shall be determined by the board at the time of grant. The aggregate number of shares issuable upon the exercise of all options granted under the plan shall not exceed 10% of the issued and outstanding Common Shares. The number of Common Shares reserved for issuance to (a) any individual director or officer will not exceed 5% of the issued and outstanding Common Shares, and (b) all technical consultants will not exceed 2% of the issued and outstanding Common Shares.

On February 5, 2015, the Corporation granted 320,000 options to purchase Common Shares to directors and officers and also granted 40,000 options to an eligible charitable organization, at an exercise price of $0.20 per share, vesting immediately and exercisable for a period of 10-years from the date of grant.

On February 5, 2015, the Corporation also granted options (the "**Agent's Options**") to its agent in connection with the initial public offering to purchase up to 200,000 Common Shares at $0.20 per share, exercisable for a period of 24 months from the date of listing of the Common Shares on the Exchange.

During the period ended March 31, 2017, 180,000 options with an exercise price of $0.20 and expiry date of February 4, 2017 were exercised for cash proceeds of $36,000. An additional 20,000 options expired on February 4, 2017 unexercised.

Selected Financial Information

The following selected financial data is derived from the financial statements of the Corporation prepared in accordance with International Financial Reporting Standards:

<u>Selected Statements of Financial Position Data</u>

	As at March 31, 2018	As at December 31, 2017
	$	$
Net working capital	191,815	213,099
Total current assets	217,117	234,680
Total current liabilities	25,302	21,581
Total shareholders' equity	191,815	213,099

Liquidity, Capital Resources, and Outlook

As at March 31, 2018, the Corporation had working capital of $191,815. This included $217,117 in cash and cash equivalents and $25,302 in payables.

Working capital decreased over the prior period due to a decrease in cash and cash equivalents, which were used to settle outstanding bills, and pay for expenses.

Selected Statements of Operations and Comprehensive Loss Data

	Three months ended March 31, 2018	Twelve Months ended December 31, 2017
	$	$
Income	Nil	Nil
Expenses	21,284	102,882
Net loss	21,284	(102,882
Net loss per share (basic and diluted)	(0.01)	(0.03)

Quarterly Information

	March 31,2018 $	December 31, 2017 $	September 30,2017 $	June 30,2017 $	March 31, 2017 $	December 31, 2016 $	September 30, 2016 $	June 30,2016 $
Net loss for the quarter	21,284	30,414	13,729	32,056	26,682	30,618	20,912	36,092
Weighted average number of shares	3,180,000	4,031,726	4,142,271	4,123,094	4,065,555	4,000,000	4,000,000	4,000,000
Net loss per share for each quarter (basic and diluted)	(0.01)	(0.01)	0.00	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)

Discussion of Operations and Quarterly Comparison

The Corporation does not have any operations and will not conduct any business other than the identification and evaluation of business and assets for potential acquisition.

During the period ended March 31, 2018, the Corporation recorded a net loss of $21,284 consisting of no sources of income, and $21,284 in expenses. This is a decrease over the prior period, which is due to a decrease in professional fees, and a decrease in office and general expenses.

During the period ended March 31, 2018, the number of issued and outstanding Common Shares remained at 3,180,000.

Additional Disclosure

The following table sets forth a breakdown of material components of expenses of the Corporation for the period ended March 31, 2018:

	Three months ended March 31, 2018	Fiscal year ended March 31, 2018
	$	$
Professional fees	7,435	11,697
General and administrative expenses	13,849	14,985
	21,284	26,682

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as at March 31, 2018.

Transactions with Related Parties

During the period ended March 31, 2018, the Corporation incurred $499 (2017 - $10,002) in legal fees in respect of general corporate matters for services provided by a law firm whose partner is a director of the Corporation. As at March 31, 2018, $9,325 (2017 - $11,685) is included in trade and other payables for these services.

No remuneration was paid to key management personnel during the period ended March 31, 2018.

During the period ended March 31, 2018, a Director of the corporation incurred $9,275 (2017 - $10,930) as expenses. These expenses were incurred on behalf of the corporation in the normal course of business. As on March 31, 2018, $789 (2017 - $2,066) relating to this individual is included in trade and other payables.

Critical Accounting Estimates and Policies

The Corporation's significant accounting policies and the adoption of new accounting policies are disclosed in the notes to the financial statements for the period ended March 31, 2018.

Financial Instruments and Other Instruments

The Corporation's financial instruments consist of cash and cash equivalents, other receivables, trade and other payables. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values.

Disclosure of Outstanding Share Data

As at the date of this MD&A, the following is a description of the outstanding equity securities and convertible securities previously issued by the Corporation:

On February 4, 2017, the Corporation issued 180,000 Common Shares pursuant to the exercise of 180,000 Agent's Options for $36,000. The remaining 20,000 Agent's Options expired on February 6, 2017.

On November 14, 2017, 1,000,000 seed shares held by Non-Arm's Length Parties were cancelled. See "Other Information – Transfer to NEX".

	Authorized	Outstanding
Voting or equity securities issued and outstanding	Unlimited Common Shares	3,180,000 Common Shares
Securities convertible or exercisable into voting or equity securities – stock options	Directors' and officers' stock options to acquire up to 10% of the outstanding Common Shares	Directors' and officers' stock options to acquire up to 320,000 Common Shares at $0.20 per share
	Charitable stock options to acquire up to 1% of the outstanding Common Shares on closing of the initial public offering	Charitable stock options to acquire up to 40,000 Common Shares at $0.20 per share
Securities convertible or exercisable into voting or equity securities – warrants	(none)	(none)
Voting or equity securities issuable on conversion or exchange of outstanding securities	(none)	(none)

Risks and Uncertainties

The Corporation has a limited history of existence. There can be no assurance that a Qualifying Transaction will be completed. Equity or debt financing may be required to complete a Qualifying Transaction. There can be no assurance that the Corporation will be able to obtain adequate financing to continue. The securities of the Corporation should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Corporation's securities:

- until completion of a Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions;

- the Corporation has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Corporation will be able to identify a suitable Qualifying Transaction;

- even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to successfully complete the transaction;

- the Qualifying Transaction may be financed in all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation;

- there can be no assurance that an active and liquid market for the Common Shares will develop and an investor may find it difficult to resell the Common Shares; and

- upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained (if required) and certain preliminary reviews have been conducted.

Disclosure Controls and Procedures

Management has designed disclosure controls and procedures to provide reasonable assurance that material information relating to the Corporation is made known to the Chief Executive Officer and the Chief Financial Officer by others within the Corporation, in an accurate and timely manner in order for the Corporation to comply with its continuous disclosure and financial reporting obligations and in order to safeguard assets.

Other Information

Transfer to NEX

On February 7, 2017, the Exchange extended the deadline for the Corporation to complete its Qualifying Transaction from February 6, 2017 to May 9, 2017. On April 7, 2017, the Corporation received conditional approval from the Exchange to extend the deadline for the Corporation to complete a Qualifying Transaction from May 9, 2017 to November 9, 2017, subject to receiving requisite shareholder approval.

On November 14, 2017, the Common Shares were suspended from trading on the Exchange for failure to complete a Qualifying Transaction within 24 months from the date of its listing on the Exchange pursuant to Policy 2.4. The Exchange gave the Corporation until November 9, 2017 (90 days) to complete a Qualifying Transaction or receive the necessary shareholder approvals to transfer to the NEX trading board of the Exchange. On November 14, 2017, the Corporation received shareholder approval to (i) cancel one-half of its 1,000,000 seed shares purchased by Non-Arm's Length Parties (as such term is defined by the Exchange), and (ii) apply to transfer the listing of the Common Shares from the Exchange to the NEX trading board of the Exchange. On November 14, 2017, 1,000,000 seed shares held by Non-Arm's Length Parties were cancelled and on November 14, 2017, the Corporation's listing was transferred to the NEX trading board of the Exchange, and the Corporation's stock symbol changed from CVC to CVC.H. The Corporation will continue to actively seek out opportunities to complete a Qualifying Transaction in the best interests of all shareholders. There is no assurance that the Corporation will be successful in completing a Qualifying Transaction.

The Corporation had issued 2,000,000 seed shares which are subject to a CPC Escrow Agreement. As of November 14, 2017, 1,000,000 seed shares are remaining. Under the CPC Escrow Agreement, 10% of the escrowed Common Shares will be released from escrow upon the issuance of the Final Exchange Bulletin (the "Initial Release") by the Corporation and an additional 15% will be released on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. However, the release of the escrowed shares will be accelerated if the Corporation meets the Exchange Tier 1 initial listing requirements.

Qualifying Transaction with Natural MedCo

The Corporation entered into a definitive acquisition agreement (the "Definitive Agreement") with 1600978 Ontario Inc., which operates as Natural MedCo ("NMC"), on October 23, 2017.

As consideration for the acquisition of all of the outstanding common shares in the capital of NMC (the "NMC Common Shares") pursuant to the Definitive Agreement, the holders of the NMC Common Shares will receive one Common Share for each NMC Common Share held at a deemed price of $0.25 per Common Share.

The completion of the transaction proposed under the Definitive Agreement is subject to a number of conditions precedent, including but not limited to satisfactory due diligence review, applicable approvals by the board of directors and shareholders of NMC, obtaining any requisite third party approvals, Exchange acceptance and the completion of a private placement to enable the Corporation to meet the Exchange's Tier 1 Minimum Listing Requirements (as such is defined pursuant to the policies of the Exchange). On April 27, 2018, the Corporation held a meeting of its shareholders to approve certain matters related to the transactions contemplated by the Definitive Agreement including the (i) reconstitution of its board of directors; and (ii) the split of the issued and outstanding Common Shares on a two for one basis, conditional upon closing and applicable regulatory approvals.

Additional information about the Corporation is available on SEDAR at www.sedar.com

Carlaw Capital V Corp.
Management's Discussion and Analysis
For the years ended December 31, 2017 and 2016

FORM 51-102F1

The following management's discussion and analysis ("MD&A") should be read with the Corporation's condensed financial statements and notes thereto for the year ended December 31, 2017. Additional information relating to the Corporation is available on SEDAR at www.sedar.com.

This MD&A was prepared by management of Carlaw Capital V Corp. (the "Corporation"), and is dated April 3, 2018. All amounts are in Canadian dollars unless otherwise stated.

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate" or "believe", are intended to identify forward-looking statements. Such statements reflect the Corporation's forecasts, estimates and expectations, as they relate to the Corporation's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Corporation's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Corporation does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments, unless otherwise required by applicable law.

Description of the Business

The Corporation was incorporated under the *Business Corporations Act* (Ontario) on June 6, 2014 with the intent of being classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). On February 5, 2015, the Corporation completed an initial public offering of 2,000,000 common shares at $0.20 per share for gross proceeds of $400,000. The Corporation's common shares were listed and posted for trading on the Exchange on February 5, 2015 under the stock symbol "CVC.P".

The Corporation's business is to identify and evaluate businesses and assets with a view to completing a "Qualifying Transaction" as defined in the policies of the Exchange. Any proposed Qualifying Transaction must be accepted by the Exchange and in the case of a non-arm's length Qualifying Transaction is also subject to "majority of the minority approval" in accordance with Policy 2.4 of the Exchange. To date, the Corporation has not conducted commercial operations. While the Corporation has examined, and continues to examine, various businesses with a view to completing a Qualifying Transaction, the Corporation is not specifically considering pursuing a company, asset or business in any specific business or industry sector, or in any particular geographical area, and the Corporation anticipates reviewing companies, assets and businesses in a broad range of industry sectors and geographical areas.

Until completion of a Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction. With the consent of the Exchange, this may include the raising of additional funds in order to finance an acquisition. Except as described in the Corporation's final CPC prospectus dated November 12, 2014, the funds raised pursuant to the Corporation's initial public offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions and not for any deposit, loan or direct investment in a potential acquisition.

The directors of the Corporation have approved a stock option plan (the "Plan") for the directors, officers, employees and consultants of the Corporation. The outstanding options granted under the Plan are exercisable for a period of up to 10 years from the date of grant. The exercise price of the options shall be determined by the board at the time of grant. The aggregate number of shares issuable upon the exercise of all options granted under the plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time. The number of common shares reserved for issuance to (a) any individual director or officer will not exceed 5% of the issued and outstanding common shares, and (b) all technical consultants will not exceed 2% of the issued and outstanding common shares.

On February 5, 2015, the Corporation granted 320,000 options to purchase common shares to directors and officers and also granted 40,000 options to an eligible charitable organization, at an exercise price of $0.20 per share, vesting immediately and exercisable for a period of 10-years from the date of grant.

On February 5, 2015, the Corporation also granted options (the "**Agent's Options**") to its agent in connection with the initial public offering to purchase up to 200,000 common shares at $0.20 per share, exercisable for a period of 24 months from the date of listing of the common shares on the Exchange.

Selected Financial Information

The following selected financial data is derived from the financial statements of the Corporation prepared in accordance with International Financial Reporting Standards:

Selected Statements of Financial Position Data

	As at December 31, 2017	As at December 31, 2016
	$	$
Net working capital	213,099	279,981
Total current assets	234,680	301,384
Total current liabilities	21,581	21,403
Total shareholders' equity	213,099	279,981

Liquidity, Capital Resources, and Outlook

As at December 31, 2017, the Corporation had net working capital of $213,099. This is comprised of $234,680 in cash and cash equivalents, less liabilities of $21,581.

Working capital decreased over the prior year due to a decrease in cash and cash equivalents, which were used to settle outstanding bills, and pay for expenses.

Selected Statements of Operations and Comprehensive Loss Data

	Fiscal year ended December 31, 2017	Fiscal year ended December 31, 2016
	$	$
Income	Nil	Nil
Expenses	102,882	102,821
Net loss	102,882	102,821
Net loss per share (basic and diluted)	(0.03)	(0.03)

Quarterly Information

Discussion of Operations and Quarterly Comparison

	December 31, 2017 $	September 30,2017 $	June 30,2017 $	March 31, 2017 $	December 31, 2016 $	September 30, 2016 $	June 30,2016 $	March 31,2016 $
Net loss for the quarter	30,414	13,729	32,056	26,682	30,618	20,912	36,092	15,199
Weighted average number of shares	4,031,726	4,142,271	4,123,094	4,065,555	4,000,000	4,000,000	4,000,000	4,000,000
Net loss per share for each quarter (basic and diluted)	(0.01)	0.00	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	0.00

The Corporation does not have any operations and will not conduct any business other than the identification and evaluation of business and assets for potential acquisition.

During the year ended December 31, 2017, the Corporation recorded a net loss of $102,882 (December 31, 2016: $102,821) consisting of no sources of income and $102,882 in expenses. This is a similar expense outlay to the prior year, as the expense's stayed relatively similar during the 2017 year.

For the year ended December 31, 2017, the number of issued and outstanding common shares is 3,180,000.

Additional Disclosure

The following table sets forth a breakdown of material components of expenses of the Corporation for the period ended December 31, 2017:

	Fiscal year ended December 31, 2017	Fiscal year ended December 31, 2016
	$	$
Professional fees	46,745	43,297
General and administrative expenses	56,137	59,524
	102,882	102,821

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as at December 31, 2017.

Transactions with Related Parties

During the year ended December 31, 2017, the Corporation incurred $35,731 (2016 - $27,873) in legal fees in respect of general corporate matters for services provided by a law firm whose partner is a director of the Corporation.

As at December 31, 2017, $11,685 (2016 - $3,737) is included in trade and other payables for these services.

No remuneration was paid to key management personnel during the year-ended December 31, 2017.

During the year-ended December 31, 2017, a director of the Corporation incurred $33,557 (2016 - $36,567) as expenses. These expenses were incurred on behalf of the Corporation in the normal course of business.

As at December 31, 2017, $2,066 (2016 - $5,801) is included in the accounts payable for these expenses incurred.

Critical Accounting Estimates and Policies

The Corporation's significant accounting policies and the adoption of new accounting policies are disclosed in the notes to the financial statements for the year ended December 31, 2017.

Financial Instruments and Other Instruments

The Corporation's financial instruments consist of cash and cash equivalents, other receivables, trade and other payables. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values.

Disclosure of Outstanding Share Data

As at the date of this MD&A, the following is a description of the outstanding equity securities and convertible securities previously issued by the Corporation:

On February 4, 2017, the Corporation issued 180,000 common shares pursuant to the exercise of 180,000 Agent's Options for $36,000. The remaining 20,000 Agent's Options expired on February 6, 2017.

On November 14, 2017, 1,000,000 seed shares held by Non-Arm's Length Parties were cancelled. See "Other Information – Transfer to NEX".

	Authorized	Outstanding
Voting or equity securities issued and outstanding	Unlimited common shares	3,180,000 common shares
Securities convertible or exercisable into voting or equity securities – stock options	Directors' and officers' stock options to acquire up to 10% of the outstanding common shares	Directors' and officers' stock options to acquire up to 320,000 common shares at $0.20 per share
	Charitable stock options to acquire up to 1% of the outstanding common shares on closing of the initial public offering	Charitable stock options to acquire up to 40,000 common shares at $0.20 per share
Securities convertible or exercisable into voting or equity securities – warrants	(none)	(none)
Voting or equity securities issuable on conversion or exchange of outstanding securities	(none)	(none)

Risks and Uncertainties

The Corporation has a limited history of existence. There can be no assurance that a Qualifying Transaction will be completed. Equity or debt financing may be required to complete a Qualifying Transaction. There can be no assurance that the Corporation will be able to obtain adequate financing to continue. The securities of the Corporation should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Corporation's securities:

- until completion of a Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions;

- the Corporation has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Corporation will be able to identify a suitable Qualifying Transaction;

- even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to successfully complete the transaction;

- the Qualifying Transaction may be financed in all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation;

- there can be no assurance that an active and liquid market for the common shares will develop and an investor may find it difficult to resell the common shares; and

- upon public announcement of a proposed Qualifying Transaction, trading in the common shares will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained (if required) and certain preliminary reviews have been conducted.

Disclosure Controls and Procedures

Management has designed disclosure controls and procedures to provide reasonable assurance that material information relating to the Corporation is made known to the Chief Executive Officer and the Chief Financial Officer by others within the Corporation, in an accurate and timely manner in order for the Corporation to comply with its continuous disclosure and financial reporting obligations and in order to safeguard assets.

Other Information

Transfer to NEX

On February 7, 2017, the Exchange extended the deadline for the Corporation to complete its Qualifying Transaction from February 6, 2017 to May 9, 2017. On April 7, 2017, the Corporation received conditional approval from the Exchange to extend the deadline for the Corporation to complete a Qualifying Transaction from May 9, 2017 to November 9, 2017, subject to receiving requisite shareholder approval.

On November 14, 2017, the common shares of the Corporation were suspended from trading on the Exchange for failure to complete a Qualifying Transaction within 24 months from the date of its listing on the Exchange pursuant to Policy 2.4. The Exchange gave the Corporation until November 9, 2017 (90 days) to complete a Qualifying Transaction or receive the necessary shareholder approvals to transfer to the NEX trading board of the Exchange. On November 14, 2017, the Corporation received shareholder approval to (i) cancel one-half of its 1,000,000 seed shares purchased by Non-Arm's Length Parties (as such term is defined by the Exchange), and (ii) apply to transfer the listing of the Corporation's common shares from the Exchange to the NEX trading board of the Exchange. On November 14, 2017, 1,000,000 seed shares held by Non-Arm's Length Parties were cancelled and on November 14, 2017, the Corporation's listing was transferred to the NEX trading board of the Exchange, and the Corporation's stock symbol changed from CVC to CVC.H. The Corporation will continue to actively seek out opportunities to complete a Qualifying Transaction in the best interests of all shareholders. There is no assurance that the Corporation will be successful in completing a Qualifying Transaction.

The Corporation had issued 2,000,000 seed shares which are subject to a CPC Escrow Agreement. As of November 14, 2017, 1,000,000 seed shares are remaining. Under the CPC Escrow Agreement, 10% of the escrowed common shares will be released from escrow upon the issuance of the Final Exchange Bulletin (the "Initial Release") by the Corporation and an additional 15% will be released on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. However, the release of the escrowed shares will be accelerated if the Corporation meets the Exchange Tier 1 initial listing requirements.

Qualifying Transaction with Natural MedCo

On December 18, 2017 the Corporation announced that it had entered into a definitive agreement (the "Definitive Agreement") with 1600978 Ontario Inc. (operating as Natural MedCo) pursuant to which it would acquire all of the issued and outstanding common shares of Natural MedCo. The proposed transaction is expected to constitute the Corporation's Qualifying Transaction.

In connection with the transaction contemplated by the Definitive Agreement, the Corporation also intends to split the issued and outstanding Common Shares on the basis of two Common Shares, or such other ratio as approved by the board of directors of the Corporation, for every one outstanding Common Share outstanding.

Additional information about the Corporation is available on SEDAR at www.sedar.com

SCHEDULE C
FINANCIAL STATEMENTS OF NATURAL MEDCO

(see attached)

1600978 Ontario Inc., operating as

Natural MedCo

FINANCIAL STATEMENTS

For the years ended October 31, 2017 and 2016 (audited) and the three month periods ended January 31, 2018 and 2017 (unaudited)

(Expressed in Canadian Dollars)

Report of Independent Registered Public Accounting Firm

To the Shareholders of 1600978 Ontario Inc. (operating as Natural MedCo):

We have audited the accompanying financial statements of 1600978 Ontario Inc. (operating as Natural MedCo), which comprise the statements of financial position as at October 31, 2017 and 2016, and the statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of 1600978 Ontario Inc. (operating as Natural MedCo) as at October 31, 2017 and 2016 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes matters and conditions that indicate the existence of material uncertainties that may cast significant doubt on 1600978 Ontario Inc. (operating as Natural MedCo)'s ability to continue as a going concern.

MNP LLP

Toronto, Ontario — Chartered Professional Accountants

June 18, 2018 — Licensed Public Accountants

Statements of Financial Position

(Expressed in Canadian Dollars)

	January 31, 2018 (unaudited)	October 31, 2017 (audited)	October 31, 2016 (audited)
Assets			
Current assets			
Cash	**$ 2,326,005**	**$ 91,400**	$ 6,946
Other receivable and prepaid expenses	**201,687**	**76,767**	2,757
	2,527,692	**168,167**	9,703
Property and equipment *(note 3)*	**2,823,075**	**1,899,513**	1,599,669
	$ 5,350,767	**$ 2,067,680**	$ 1,609,372
Liabilities			
Current liabilities			
Bank overdraft	**$ -**	**$ 25,142**	$ 25,134
Accounts payable and accrued liabilities	**593,993**	**624,498**	51,671
Class C special share liability (note 6)	**976,000**	**976,000**	976,000
Due to related parties *(note 4)*	**-**	**430,562**	323,022
Current portion of long-term debt *(note 5)*	**1,576,940**	**2,198,719**	1,166,412
	3,146,933	**4,254,921**	**2,542,239**
Long-term debt *(note 5)*	**-**	**-**	13,340
	3,146,933	**4,254,921**	2,555,579
Shareholders' equity (deficiency)			
Share capital *(note 6)*	**5,894,003**	**900,128**	900,128
Deficit	**(3,690,169)**	**(3,087,369)**	(1,846,335)
	2,203,834	**(2,187,241)**	(946,207)
	$ 5,350,767	**$ 2,067,680**	$ 1,609,372

The accompanying notes are an integral part of these financial statements.

Nature of operations and going concern (note 1)
Commitments and contingency (note 10)
Subsequent event (note 11)

On behalf of the Board

"Melinda Rombouts" — Director

"David Burch" — Director

Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	For the three month period ended January 31, 2018 (unaudited)	For the three month period ended January 31, 2017 (unaudited)	**For the year ended October 31, 2017 (audited)**	For the year ended October 31, 2016 (audited)
Expenses:				
Depreciation (note 3)	**$ 38,972**	$ 31,407	**$ 147,452**	$ 125,629
Salaries and wages *(note 5)*	**228,708**	50,889	**517,418**	84,230
Production expenses	**18,613**	65,190	**121,550**	8,331
Professional fees	**141,398**	7,266	**84,103**	16,816
Finance expense	**77,091**	30,807	**91,828**	36,994
Consulting fees	**33,019**	-	**48,600**	
Utilities	- **684**	9,519	**93,415**	28,348
Office expense	**50,080**	3,962	**68,089**	23,455
Repairs and maitenance	**6,843**	3,627	**25,381**	25,867
Travel	**2,618**	1,206	**21,793**	4,783
Property taxes	**3,376**	5,244	**11,674**	6,802
Insurance	**2,766**	2,679	**9,731**	8,877
	602,800	211,796	**1,241,034**	370,132
Net loss and comprehensive loss	**602,800**	211,796	**$ 1,241,034**	$ 370,132
Net loss per share				
Basic and diluted	**$ 0.01**	$ 0.00	**$ 0.02**	$ 0.01
Weighted average shares outstanding (note 7)	**77,083,750**	70,976,000	**70,976,000**	69,850,886

The accompanying notes are an integral part of these financial statements

Statements of Changes in Shareholders' Equity (Deficiency)

For the years ended October 31, 2017 (audited) and 2016 (audited) and three month periods ended January 31, 2018 (unaudited) and 2017 (unaudited)

(Expressed in Canadian Dollars)

	Share capital	Deficit	Total
Balance, November 1, 2015	$ 600,000	$ (1,476,202)	$ (876,202)
Shares issued during the year	300,128	-	300,128
Net loss for the year	-	(370,132)	(370,132)
Balance, October 31, 2016	$ 900,128	$ (1,846,335)	$ (946,207)
Net loss for the period	-	(211,796)	(211,796)
Balance, January 31, 2017	$ 900,128	$ (2,058,131)	$ (1,158,003)
Net loss for the period	-	(1,029,238)	(1,029,238)
Balance, October 31, 2017	**$ 900,128**	**$ (3,087,369)**	**$ (2,187,241)**
Shares issued for cash during the period	3,880,000	-	3,880,000
Shares issued for debt	1,113,875	-	1,113,875
Net loss for the period	-	(602,800)	(602,800)
Balance, January 31, 2018	**$ 5,894,003**	**$ (3,690,169)**	**$ 2,203,834**

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows
(Expressed in Canadian Dollars)

	For the three month period ended January 31, 2018 (unaudited)	For the three month period January 31, 2017 (unaudited)	For the year ended October 31, 2017 (audited)	For the year ended October 31, 2016 (audited)
Cash flow from operating activities				
Net loss	$ (602,800)	$ (211,796)	$ (1,241,034)	$ (370,132)
Depreciation	31,407	31,407	147,452	125,629
Add (deduct) items not involving cash				
Change in non-cash working capital				
Other receivables	(124,920)	301	(74,010)	5,838
Accounts payable and accrued liabilities	(30,505)	37,548	572,827	51,471
	(726,817)	(142,540)	(594,765)	(187,194)
Cash flow from financing activities				
Private placement of shares, net of issuance costs	3,880,000	-	-	298,146
Advances/repayment to related parties	52,417	66,894	107,540	185,627
Proceeds of long-term debt, net of repayments	(8,439)	217,471	1,018,967	(89,056)
(Decrease) increase in bank overdraft	-	-	8	25,134
	3,923,978	284,365	1,126,515	419,851
Cash flow from investing activities				
Investment in property and equipment	(962,555)	(11,944)	(447,290)	(341,343)
	(962,555)	(11,944)	(447,290)	(341,343)
Increase in cash	2,234,606	129,881	84,460	(108,686)
Cash, beginning of period	91,400	6,946	6,946	115,632
Cash, end of period	$ 2,326,006	$ 136,827	$ 91,406	$ 6,946

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

For the years ended October 31, 2017 (audited) and 2016 (audited) and three-month periods ending January 31, 2018 (unaudited) and 2017(unaudited)

1. Nature of operations and going concern

1600978 Ontario Inc. (the " Company") operating as Natural MedCo was incorporated provincially under the *Business Corporations Act* (Ontario) on February 2, 2005. The Company's primary business activity is the cultivation of medical cannabis. The Company is a Licensed Producer under the *Access to Cannabis for Medical Purposes Regulations* and has applied for its sales license. As the Company has yet to receive its sales license there are no inventory and biological assets recognized in these financial statements.

To date, the Company has not yet realized profitable operations and has significant losses to date resulting in a cumulative deficit of $3,690,169 (October 31, 2017 $3,087,369) (October 31, 2016 - $1,846,335). As at January 31, 2018, the Company had cash of $2,326,005 to settle current liabilities of $3,147,033. In addition, the Company has breached its debt covenants in relation to its credit facility. The Company has relied primarily on the support of its related parties and equity financing to continue its operations. The ability of the Company to continue operations is dependent upon obtaining additional financing and obtaining its sale license form Health Canada. The timing and ability to do so will depend on the liquidity of the financial markets as well as the acceptance of investors to small cap companies in addition to receiving approval form Health Canada. There can be no guarantee that the Company will be able to secure any required financing. These successive operating losses together with the challenges of securing requisite funding beyond the next twelve months, cast significant doubt on the Company's ability to continue as a going concern and accordingly to its use of accounting principles applicable to a going concern. These financial statements do not reflect any adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to achieve profitable operations or obtain adequate financing.

The Company was successful in raising cash proceeds during the three month period ending January 31, 2018 and has entered into an agreement with a publicly listed company. See note 10 for further details.

2. Basis of presentation

Statement of compliance

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The unaudited financial statements for the as at and for the period ended January 31, 2018 and related comparative unaudited financial information for the period ended January 31, 2017, have been prepared under IFRS, including International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Consequently, the unaudited consolidated financial statements for the periods then ended do not include all of the information and footnotes required by IFRS for full annual financial statements. The Company has used the same accounting policies and methods of computation as in the consolidated financial statements for the year ended October 31, 2017.

These financial statements were approved by the Company's board of directors on June 18, 2018.

Basis of presentation

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value, as detailed in the Company's accounting policies.

Functional and presentation currency

The Company's functional currency, as determined by management is the Canadian dollar. These financial statements are presented in Canadian dollars.

Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Significant accounting policies

A summary of the significant accounting policies, which have been applied consistently to all periods presented in the accompanying financial statements are set out below:

Property and equipment

Property and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such costs include the cost of replacing parts of the property, plant and equipment. Likewise, when a major inspection is performed, its cost is recognized in the carrying value of the equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of loss and comprehensive loss as incurred.

Property and equipment is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Buildings- greenhouses	4% declining balance method
Greenhouse equipment	20% declining balance method
Machinery and equipment	20% declining balance method
Office equipment	20% declining balance method
Motor vehicles	30% declining balance method
Computer equipment	55% declining balance method
Fences and security	20% declining balance method

No amortization is taken on assets under construction until the relevant asset has been put into use. An item of equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in the statement of loss and comprehensive loss in the period the asset is derecognized.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively if appropriate

Impairment of non-financial assets

Intangible assets with a finite useful life are tested for impairment when events or changes in circumstances indicate the carrying amount may not be recoverable. Events relating to recoverability may include significant unfavorable changes in business conditions, recurring losses, or a forecasted inability to achieve break-even operating results over an extended period. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The Company evaluates impairment losses for potential reversals when events or circumstances warrant such consideration.

Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expires.

A derivative is a financial instrument whose value changes in response to a specified variable, requires little or no net investment and is settled at a future date.

At initial recognition, the Company classifies its financial instruments in the following categories:

(i) Financial assets and liabilities at fair value through profit or loss: a financial asset or liability is classified in this category if acquired principally for the purpose of selling or repurchasing in the short-term. Derivatives are also included in this category unless they are designated as hedges. Financial instruments in this category are recognized initially and subsequently at fair value. Gains and losses arising from changes in fair value are presented in the statements of loss and comprehensive loss within other expense (income) in the period in which they arise.

(ii) Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognized at the amount expected to be received, less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortized cost using the effective interest method less a provision for impairment.

(iii) Available for sale financial assets: Available for sale assets are non-derivative financial assets that are designated as available for sale and are not categorized into any of the other categories described above. They are initially recognized at fair value including direct and incremental transaction costs. They are subsequently recognized at fair value. Gains and losses arising from changes in fair value are included as a separate component of equity until sale, when the cumulative gain or loss is transferred to the statements of loss and comprehensive loss. Interest is determined using the effective interest method, and impairment losses and translation differences on monetary items are recognized in the statements of loss and comprehensive loss. The Company does not have any available for sale assets.

(iv) Financial liabilities at amortized cost: Financial liabilities at amortized cost are composed of accounts payable. Trade payables and accrued liabilities are initially recognized at the amount required to be paid, less, when material, a discount to reduce payables to fair value. Subsequently, accounts payables are measured at amortized cost using the effective interest method. These are classified as current liabilities if payment is due within 12 months. Otherwise, they are presented as non-current liabilities.

Impairment of financial assets carried at amortized cost

At each statement of financial position date, the Company assesses whether there is objective evidence a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a loss event), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses) discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognized in the statements of loss and comprehensive loss. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. For practical reasons, the Company may measure impairment on the basis of an instrument's fair value using an observable market price.

Loss per common share, basic and diluted

Basic loss per share is calculated by dividing the net loss for the period attributable to equity owners of the Company by the weighted average number of Common Shares (as defined below) outstanding during the period. Contingently issuable shares (including shares held in escrow) are not considered outstanding Common Shares and consequently are not included in the loss per share calculations.

Diluted loss per share is calculated by adjusting the weighted average number of Common Shares outstanding for dilutive instruments. The number of shares included with respect to options, warrants and similar instruments is computed using the treasury stock method. The Company's potentially dilutive Common Shares comprise stock options and warrants. The Company had no stock options or warrants outstanding as at January 31, 2018, October 31, 2017 and October 31, 2016.

Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in the statements of loss and comprehensive loss except to the extent that it relates to items recognized directly in shareholders' equity, in which case the income tax is also recognized directly in shareholders' equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the end of the reporting period, and any adjustments to tax payable in respect of previous years.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using the tax rates and laws that have been enacted or substantively enacted at the statements of financial position dates and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable the assets can be recovered.

Deferred income tax assets and liabilities are presented as non-current.

Provisions

A provision is recognized when the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

New standards, amendments and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations have been issued but have not yet been applied in preparing these financial statements, as set out below:

- IFRS 9, Financial Instruments, addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income (OCI) and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. The standard is effective for accounting periods beginning on or after January 1, 2018 and earlier adoption is permitted.

- IFRS 15, Revenue from Contracts with Customers, deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity’s contracts with customers. Revenue is recognized when a customer obtains control of goods or services and thus has the ability to direct the use and obtain the benefits from the goods or services. The standard replaces IAS 18, Revenue, and IAS 11, Construction Contracts, and related interpretations. The standard is effective for annual periods beginning on or after January 1, 2018 and earlier adoption is permitted.

- In January 2016, the IASB issued IFRS 16, Leases, which will replace IAS 17, Leases. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Under IAS 17, lessees were required to make a distinction between a finance lease and an operating lease. IFRS 16 now requires lessees to recognize a lease liability reflecting future lease payments and a right-of-use asset for virtually all lease contracts. There is an optional exemption for certain short-term leases and leases of low value assets; however, this exemption can only be applied by lessees. The standard is effective for annual periods beginning on or after January 1, 2019, with earlier application if IFRS 15 is also applied.

The Company does not believe the adoption of these polices will have any material impact on its financial statements.

Notes to the Financial Statements
For the years ended October 31, 2017 (audited) and 2016 (audited) and three-month periods ending January 31, 2018 (unaudited) and 2017(unaudited)

3. Property and equipment

	Greenhouse equipment	Machinery and Equipment	Fences and Security	Vehicles	Land	Buildings	Total
Cost							
At October 31, 2015	$ 281,456	$ 90,370	$ 313,278	$ 22,225	$ 160,000	$ 1,245,738	$ 2,113,067
Additions	-	2,583	166,910	-	-	171,851	341,344
At October 31, 2016	281,456	92,953	480,188	22,225	160,000	1,417,589	2,454,411
Additions	-	63,621	19,842	-	-	363,833	447,296
At October 31, 2017	281,456	156,574	500,030	22,225	160,000	1,781,422	2,901,707
Additions	48,200	31,874	16,180	-	-	866,280	962,534
At January 31, 2018	**$ 329,656**	**$ 188,448**	**$ 516,210**	**$ 22,225**	**$ 160,000**	**$ 2,647,702**	**$ 3,864,241**
Accumulated depreciation							
At October 31, 2015	$ 259,696	$ 62,295	$ 15,664	$ 21,439	$ -	$ 370,019	$ 729,113
Expense for the year	4,352	6,362	76,214	235		38,466	125,629
At October 31, 2016	264,048	68,657	91,878	21,674	-	408,485	854,742
Expense for the year	3,482	18,645	79,646	165		45,514	147,452
At October 31, 2017	267,530	87,302	171,524	21,839	-	453,999	1,002,194
Expense for the period	1,917	7,684	16,968	92	-	12,311	38,972
At January 31, 2018	**$ 269,447**	**$ 94,986**	**$ 188,492**	**$ 21,931**	**$ -**	**$ 466,310**	**$ 1,041,166**
Net book value							
At October 31, 2016							$ 1,599,669
At October 31, 2017							$ 1,899,513
At January 31, 2018							$ 2,823,075

For the period ended January 31, 2018 the Company capitalized interest on long-term debt in the amount of $35,000 (October 31, 2017 - $106,334) (October 31, 2016 - $65,073).

4. Related party balances and transactions

(a) The Company was indebted to shareholders and a relative of a majority shareholder of the Company in the amount of $430,562 at October 31, 2017 (October 31, 2016 - $323,022). The advances were interest free with no set terms of repayment. During the three month period ended January 31, 2018, Common Shares of the Company were issued to pay off the advances in full. See note 6 for further details.

(b) Key management includes directors and officers of the Company. Compensation paid to key management for the three month period ended January 31, 2018 amounted to $50,000 (year ended October 31, 2017 - $205,435 (year ended October 31, 2016 - $119,250).

Notes to the Financial Statements
For the years ended October 31, 2017 (audited) and 2016 (audited) and three-month periods ending January 31, 2018 (unaudited) and 2017(unaudited)

5. Long-term debt

	January 31, 2018	October 31, 2017	October 31, 2016
Mainstreet commercial mortgage bearing interest at 9.85% per annum, repayable in monthly blended payments of $7,689. The loan matures on August 21, 2022.	$ 628,160	$ 636,599	$ 668,997
FedDev Ontario loan, interest free, repayable in monthly payments of $4,410. The loan matures on December 1, 2017.	-	13,340	61,975
Mallick Holdings Inc. loan bearing interest at 15% per annum, due on demand.	-	600,000	-
Round Plains Ginseng Farms Inc. loan bearing interest at 14.5% per annum. Interest only payments due monthly. Principal was due in January 2018.	948,780	948,780	448,780
	1,576,940	2,198,719	1,179,752
Less: long-term portion	-	-	13,340
Current portion of long-term debt	$ 1,576,940	$ 2,198,719	$ 1,166,412

The commercial mortgage with Mainstreet Credit Union ("Mainstreet") is part of a credit facility which includes a line of credit up to$25,000. As at October 31, 2017 and 2016 the line of credit balance was $25,000. The Company is required under the credit facility agreement to maintain certain financial ratios at the end of each reporting period. As at January 31, 2018, October 31, 2017 and 2016, the Company was not compliant with all financial covenants under the credit facility. As a result, the balance of the mortgage payable has been classified as current. Mainstreet has not called the loan as at January 31, 2018 and the Company is currently in negotiations with Mainstreet to rectify the breach.

6. Shareholders' equity

<u>Outstanding share capital</u>

Authorized:
Common Shares: voting, non-cumulative discretionary dividends.
Unlimited Class C special shares: non-voting, non-cumulative discretionary dividends not to exceed the prescribed rate of interest set by the CRA.

	Number of Shares Outstanding				
	Class A	Class B	Class C	New Common	$ Total
At October 31, 2015	720	320	976,000	-	$ 600,128
Shares issued for cash (a)	-	160	-		300,000
At October 31, 2016 and 2017	**720**	**480**	**976,000**	**-**	**900,128**
Share reorganization (b)	(720)	(480)	-	70,000,000	-
Shares issued for cash ©				7,760,000	3,880,000
Shares issued for debt (d)				2,227,750	1,113,875
At January 31, 2018	**-**	**-**	**976,000**	**79,987,750**	**$ 5,894,003**

a) During the year ended October 31, 2016 the Company issued 160 Class B common shares for gross proceeds of $300,000.

b) On November 30, 2017 the Company filed articles of amendment to reclassify its existing share capital by (i) creating new class of shares ("Common Shares"); (ii) exchanging the issued and outstanding 720 Class A common shares for 42,000,000 Common Shares; (iii) exchanging the issued and outstanding 480 Class B common shares for 28,000,000 Common Shares; (iv) amending the rights of the existing Class C Special Shares; and (v) changing the reference to the authorized capital of the Company to provide for the maximum authorized share capital to consist of an unlimited number of Common Shares and an unlimited number of Class C Special Shares. The weighted average shares outstanding, as at October 31, 2017 and 2016, has been reflected to incorporate this amended share capital structure for the purposes of calculating loss per share.

c) In November and December of 2017, the Company issued 7,760,000 Common Shares for cash proceeds of $3,880,000.

d) In November of 20,17 the Company issued 2,227,500 Common Shares for the settlement of due to related parties and long-term debt with an aggregate value of $1,113,875.

e) The Class C special shares contain a right whereby the holders can redeem all or any part of this class of shares for $1 per share. These Class C special shares have been presented on the statement of financial position as a financial liability carried at the full redemption value of $976,000.

7. Capital management

The Company's objective in managing capital is to ensure a sufficient liquidity position to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company defines capital as related party advances, long-term debt including the current portion and share capital.

The Company's objective with respect to its capital management is to ensure it has sufficient cash resources to maintain its ongoing operations and finance its research and development activities, corporate and administration expenses, working capital and overall capital expenditures. Since inception, the Company has primarily financed its liquidity needs through issuance of shares and funding received from related parties.

There have been no changes to the Company's objectives and what it manages as capital since the prior fiscal year. The Company is subject to externally imposed capital requirements through its credit facility (note 5).

8. Financial instruments and risk management

Financial instruments

The Company has classified its cash as fair value through profit and loss ("FVTPL"), other receivables as loans and receivables, and accounts payable and accrued liabilities, bank overdraft, Class C special share liability and due to related parties and long-term debt as other financial liabilities.

The carrying values of cash, other receivables, due to related parties, and accounts payable and accrued liabilities approximate their fair values due to their short periods to maturity.

Fair value hierarchy

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The hierarchy is summarized as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2 – inputs that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices) from observable market data
Level 3 – inputs for assets and liabilities not based upon observable market data
Financial risk factors

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

(a) Credit risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash. The Company's cash is held at a Canadian credit union. The Company regularly monitors the credit risk exposure and takes steps to mitigate the likelihood of these exposures resulting in actual loss. Other receivables consists of HST tax receivable.

(b) Liquidity risk

The Company is exposed to liquidity risk or the risk of not meeting its financial obligations as they come due. The Company constantly monitors and manages its cash flows to assess the liquidity necessary to fund operations. All of the Company's financial liabilities are due within one year. See note 1 for further disclosure on the Company's going concern assertion.

(c) Interest rate risk

The Company is not subject to any significant interest rate risk from its liabilities, which are all non-interest bearing instruments.

9. Income taxes

The reconciliation of the combined Canadian federal and provincial corporate income taxes at statutory rates 26.5% (2016 - 26.5%) to the Company's effective income tax expense is as follows:

		2017		2016
Net Income (Loss) before recovery of income taxes	**$**	**(1,241,034)**	$	(370,132)
Expected income tax recovery		**(328,875)**		(98,085)
Change in unrecognized deferred tax assets		**328,875**		98,085
Net deferred tax liabilities	**$**	**-**	$	-

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	2017	2016
Non-capital losses carried forward	**1,171,925**	360,710

10. Commitments and Contingency

a) On October 23, 2017, the Company and Carlaw Capital V Corp. ("Carlaw") entered into a definitive agreement (the "Definitive Agreement"). As consideration for the acquisition of all of the outstanding Common Shares pursuant to the Definitive Agreement, the holders of the Common Shares will receive one common share in the capital of Carlaw for each Common Share held at a deemed price of $0.25 per share. The proposed transaction is expected to constitute Carlaw's "qualifying transaction" pursuant to the policies of the TSX Venture Exchange.

b) The land on which the greenhouse facility is situated is subject to an option to purchase held by two significant shareholders and founders of the Company. Upon exercise of the option and the payment of $976,000, the founders must immediately grant to the Company a lease over the land, with such lease: (i) being for a term of 20 years, with four 5-year renewals; (ii) having monthly net rent not exceeding $6,100 throughout the term and renewals; (iii) having such terms and conditions that are in form and substance satisfactory to the Company, acting reasonably; and (iv) having no terms or conditions that are materially unusual or adverse to in the Company in the opinion of its board of directors, acting reasonably. The option may not be exercised if such exercise would jeopardize any cannabis production or sale license of the Company or the Company's ability to conduct business under any such license.

c) The Company is subject to a claim for $100,000 for unpaid invoices related to the Company's security system. The Company believes that the allegations contained in the dispute are without merit and has counterclaimed $100,000. No reliable estimate of any contingency can be made at this time, consequently no provision has been made for this claim.

11. Subsequent events

Shareholder Meeting

On May 28, 2018, the Company held a special meeting of its shareholders to approve certain matters related to the transactions contemplated by the Definitive Agreement including the amalgamation (the "Amalgamation") of the Company with a wholly-owned subsidiary of Carlaw and articles of amendment (the "Articles") effecting a split of the Common Shares, on a 1:2 basis, and removing certain private company restrictions, all of which were approved.

Amalgamation Agreement

On June 14, 2018, the Company entered into an amalgamation agreement (the "Amalgamation Agreement") with Carlaw and its wholly owned subsidiary to effect the Amalgamation. In accordance with the terms of the Amalgamation Agreement, all issued and outstanding securities of the Company (each, a "Security") will be exchanged for securities of Carlaw having substantially the same terms on a one-for-one basis.

Articles of Amendment

On June 14, 2018, the Company also filed the Articles.

Equity Offerings

On June 15, 2018, the Company completed a non-brokered private placement (the "Non-Brokered Private Placement") of 17,852,600 Common Shares at a subscription price of $0.25 per Common Share, and a brokered private placement (the "Brokered Private Placement", and together with the Non-Brokered Private Placement, the "Equity Offerings") of up to 25,340,000 subscription receipts (each, a "Subscription Receipt") at a subscription price of $0.25 per Subscription Receipt, for aggregate gross proceeds of approximately $10.8 million. In connection with the Brokered Private Placement, the Company entered into an agency agreement with Haywood Securities Inc. ("Haywood"), and

PI Financial Corp., as co-lead agents, Echelon Wealth Partners and INFOR Financial Inc. (collectively, the "Agents") to sell the Subscription Receipts on a best-efforts basis.

The gross proceeds of the Brokered Private Placement, less: (A) fifty percent of the Agents' cash fees (as described below); (B) certain expenses of the Agents; and (C) fifty percent of the gross proceeds of the Brokered Private Placement, which were paid to the Company net of the corporate finance fee (as described below) and certain other payables were paid as directed by the Company, were deposited in escrow (such funds, collectively with all interest earned thereon, the "Escrow Funds") until the satisfaction of certain release conditions, including all conditions precedent to the Amalgamation, have been met (the "Release Conditions").

Upon the satisfaction of the Release Conditions, each Subscription Receipt will be converted into one Common Share without payment of any additional consideration or further action on the part of the holder thereof; and at the effective time of the Amalgamation, each Common Share will be exchanged for one common shares in the capital of Carlaw (subsequent to Carlaw completing a 1:2 stock split).

In the event that the Release Conditions have not been satisfied prior to 120 days following the closing of the Brokered Private Placement, or the Company advises the Agents or announces to the public that it does not intend to satisfy the Release Conditions or that the proposed transaction with Carlaw has been terminated, the aggregate issue price of the Subscription Receipts shall be returned to the applicable holders of the Subscription Receipts together with their *pro rata* portion of any interest earned thereon (net of any applicable withholding taxes), and such Subscription Receipts shall be automatically cancelled and be of no further force and effect. The Company will be responsible and liable to the holders of the Subscription Receipts for any shortfall between the aggregate issue price of such Subscription Receipts and the Escrow Funds.

In connection with the Brokered Private Placement, the Agents received a cash fee equal to 7% of the aggregate gross proceeds of the Brokered Private Placement. The Agents also received such number of compensation options equal to 7% of the number of Subscription Receipts issued by the Company (each, an "Equity Compensation Option") each being exercisable for one Common Share at a price of $0.25 per share for a period of two years from the date the Release Conditions are satisfied. In connection with the Amalgamation, each Equity Compensation Option will be exchanged into one compensation option of Carlaw (now, the "Resulting Issuer"). In addition, the Agents also received a corporate finance fee of $150,000 plus applicable taxes and an additional 675,000 Equity Compensation Options.

Debenture Offering

Concurrently with the closing of the Brokered Private Placement, the Company also completed a private placement (the "Debenture Offering") of 10,000 debenture units (the "Debenture Units") for aggregate gross proceeds $10,000,000, each Debenture Unit consisting of (i) a $1,000 principal amount senior unsecured convertible debenture of the Company maturing two years from the date of issue and bearing interest at 10.0% per annum (a "Debenture"); and (ii) common share purchase warrants (each, a "Warrant") exercisable for up to 3,333 Common Shares at an exercise price per share of $0.35 for a period of two years from the date of issue. The Debentures are convertible into that number of Common Shares computed on the basis of the principal amount of the Debentures divided by the conversion price of $0.30 per share at the holder's option or upon mandatory conversion at the request of the Company in the event that at any time following four months plus one day following the Amalgamation, for any ten consecutive trading days, the volume weighted average closing price of the shares of the Resulting Issuer on the TSXV is greater than $0.60. Upon conversion of the Debentures, the holder will also receive a cash payment equal to the additional interest amount that such holder would have received if it had held the Debentures for the period of one year from the date of conversion provided that such period shall not extend past the maturity date of the Debentures.

The gross proceeds of the Debenture Offering were deposited in escrow (such funds, collectively with all interest earned thereon, the "Debenture Escrow Funds") until the satisfaction of certain release conditions, including all conditions precedent to the Amalgamation, have been met (the "Debenture Escrow Release Conditions"). In connection with the Amalgamation, the Debentures and the Warrants will be exchanged for debentures and warrants of the Resulting Issuer having substantially the same terms and maturing or expiring, as applicable, two years from the date the Debenture Escrow Release Conditions are satisfied.

In connection with certain financial advisory services provided by Haywood in connection with the Debenture Offering, Haywood received a cash fee of $500,000 plus applicable taxes as well 2,333,333 compensation options (each, an “Debenture Compensation Option”) each being exercisable for one NMC Common Share at a price of $0.30 per share for a period of two years from the date the Release Conditions are satisfied. In connection with the Amalgamation, each Debenture Compensation Option will be exchanged into one compensation option of the Resulting Issuer.

SCHEDULE D
MD&A OF NATURAL MEDCO

(see attached)

1600978 Ontario Inc., operating as

NATURAL MEDCO

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

For the years ended October 31, 2017 and 2016 and the three month period ended January 31, 2018

Date: June 18, 2018

NATURAL MEDCO

Management's Discussion and Analysis

This Management's Discussion and Analysis ("**MD&A**") has been prepared by management of 1600978 Ontario Inc. (operating as Natural MedCo) ("**NMC**" or the "**Company**") and should be read in conjunction with NMC's audited consolidated financial statements and notes for the years ended October 31, 2017 and 2016 and unaudited consolidated financial statements and notes for the three month period ended January 31, 2018 (the "**Financial Statements**"). The Financial Statements have been prepared using International Financial Reporting Standards ("**IFRS**"). All amounts are in Canadian dollars unless otherwise specified. The Financial Statements may be found attached to the filing statement dated June 18, 2018 of Carlaw Capital V Corp. ("**Carlaw**"), which may be viewed under the SEDAR profile of Carlaw at www.sedar.com (the "**Filing Statement**").

This MD&A contains disclosure of material changes related to NMC occurring up to and including June 18, 2018.

Forward-Looking Statements

Certain statements contained in this MD&A constitute "forward-looking information" and "forward-looking statements". All statements other than statements of historical fact contained in this MD&A. Such statements can, in some cases, be identified by the use of forward-looking terminology such as "expect," "likely", "may," "will," "should," "intend," or "anticipate," "potential," "proposed," "estimate" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. The forward-looking statements included in this MD&A are made only as of the date of this MD&A and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

Forward-looking statements in this MD&A are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. Management provides forward-looking statements because it believes they provide useful information to readers when considering their investment objectives and cautions readers that the information may not be appropriate for other purposes.

Some of the risks which could affect future results and could cause results to differ materially from those expressed in the forward-looking statements contained herein include:

- reliance on licenses and regulatory approvals to conduct its business as currently operated and as proposed
- expansion of facilities
- changes in laws, regulations and guidelines
- legislative or regulatory reform and compliance
- competition
- environmental regulations and risks
- limited operating history
- risks inherent in an agricultural business
- reliance on a single location
- third party transportation
- retention and acquisition of skilled personnel
- negative consumer perception
- product liability
- product recalls

- results of future clinical trials
- insurance coverage
- regulatory or agency proceedings, investigations and audits
- litigation
- constraints on marketing products
- fraudulent or illegal activity by NMC's employees, contractors and consultants
- information technology systems and cyber-attacks
- breaches of security and risks related to breaches of applicable privacy laws
- history of losses
- access to capital
- estimates or judgments relating to critical accounting policies

In addition to the factors set out above and those identified in this MD&A under "Risks and Uncertainties", other factors not currently viewed as material could cause actual results to differ materially from those described in the forward-looking statements. Although NMC has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not to be anticipated, estimated or intended. Accordingly, readers should not place any undue reliance on forward-looking statements.

Overview of Natural MedCo's Business

Background

Refer to "Part II – Information Concerning Natural MedCo" in the Filing Statement for additional information on the background and operational highlights of NMC. The Filing Statement may be viewed under the SEDAR profile of Carlaw at www.sedar.com.

Results of operations for the twelve months ended October 31, 2017 and 2016 and the three months ended January 31, 2018.

During the twelve month period ended October 31, 2017, NMC incurred a net loss and net comprehensive loss of $1,241,034 (October 31, 2016: $370,132).

During the three month period ended January 31, 2018, NMC incurred a net loss and comprehensive loss of $602,800 (January 31, 2017: $211,796).

Revenue

The Company generated no revenue during the twelve month periods ended October 31, 2017 and 2016, or the three month periods ended January 31, 2018 and 2017. The Company does not currently have permission to sell cannabis.

Changes in fair value of biological assets

In accordance with IFRS, NMC's biological assets and inventory are not attributed any value in the Financial Statements as NMC has not received authorization from Health Canada to sell such products.

As at October 31, 2017, the Company had 8,864 cannabis plants that are estimated to be 40% (October 31, 2016: 0%) complete to harvest. The Company is anticipated to have a spaced production schedule, with plants expected to be in all stages of production. At all times the average age of the plants is anticipated to be approximately 40% complete to harvest. As at January 31, 2018, the

Company had 12,913 cannabis plants that are estimated to be 40% (January 31, 2017: 0%) complete to harvest.

Provided NMC receives authorization to sell, once harvested, the cannabis plants produced (*i.e.* medical cannabis) would be transferred to inventory. As at October 31, 2017, the Company was holding approximately 170 kilograms (October 31, 2016: 0 kilograms) of medical cannabis. As at January 31, 2018, the Company was holding approximately 171 kilograms (January 31, 2017: 0 kilograms).

Cost of finished goods sold

Cost of finished goods sold is the fair value less cost to sell recognized during the biological transformation process related to medical cannabis sold during the period. During the twelve months ended October 31, 2017 and 2016 or the three months ended January 31, 2018 or 2017, the Company did not recognize cost of finish goods sold as a result of the Company's accounting policy to not recognize biological assets at fair value less cost to sell as the Company did not have permission to sell cannabis.

Production expenses

Production expenses consist of direct and overhead costs attributable to production labour, materials, consumables, supplies, amortization and other expenses required to produce medical cannabis.

During the twelve months ended October 31, 2017, the Company recognized production expenses of $121,550 (October 31, 2016: $8,331) consisting of direct costs attributable to production excluding labour. During the three months ended January 31, 2018, the Company recognized production expenses of $18,613 (January 31, 2017: $65,190), also consisting of direct costs attributable to production excluding labour. The production expenses for the period ended January 31, 2017 included the acquisition by the Company of its starter material.

Gross profit

The Company did not realize any gross profit, including gain on fair value changes of biological assets for the twelve months ended October 31, 2017 or 2016 or the three months ended January 31, 2018 or 2017, as it does not yet having a licence to sell cannabis.

Operating expenses

During the twelve months ended October 31, 2017 total operating expenses increased to $189,189 (October 31, 2016: $58,998). During the three months ended January 31, 2018 total operating expenses increased to $43,164 (January 31, 2017: $14,352). The additional operating expenses were incurred to support the buildup of increased operational capacity in the Company's greenhouse facilities.

For the twelve months ended October 31, 2017, the Company's total salaries and wages expense increased to $517,418 (October 31, 2016: $84,230). For the three months ended January 31, 2018, the Company's total salaries and wages expense increased to $228,708 (January 31, 2017: $50,889). The total increases in wages and benefits expense, including amounts recorded as production costs, are due primarily to increased staffing requirements needed as a result of the increased cannabis cultivation efforts at the Company's facility.

For the twelve months ended October 31, 2017, the Company's total finance expense amount to $91,828 (October 31, 2016: $36,994). For the three months ended January 31, 2018, the Company's total finance expense amount to $77,091 (January 31, 2017: $30,807). The total increases of finance expense for the twelve months ended October 31, 2017, including amounts capitalized to property, plant and equipment is primarily due to accretion and interest expense related to new loans. The amount also included costs related to proposed financing arrangements that had not materialized.

For the twelve months ended October 31, 2017, the Company's total general and administrative expense increased to $321,049 (October 31, 2016: $181,579). For the three months ended January 31, 2018, the Company's total general and administrative expense increased to $236,592 (January 31, 2017: $50,558). The general and administrative expense increased due to the additional communication, training and other general expenses as a result of the increased number of employees and the expansion of the Company's facilities.

Construction of Expansions

For the twelve months ended October 31, 2017, the Company's total capitalized expenditures were $447,296 (October 31, 2016: $341,343). For the three months ended January 31, 2018, the Company's total capitalized expenditures were $962,534 (January 31, 2017: $11,944). All such expenses were resulting from the construction expenses incurred related to the expansion of the Company's greenhouse facilities.

Selected annual information

	October 31, 2017 (Audited) $	**October 31, 2016 (Audited) $**
Total Revenue	Nil	Nil
Loss attributable to the owners of the parent	1,241,034	370,132
Basic and diluted loss per-share	.02	.01
Total Assets	2,067,680	1,609,372
Total Non-Current financial liabilities	Nil	1,131,117
Distributions or cash dividends declared	Nil	Nil

Summary of Quarterly Results

	January 31, 2018 (Unaudited) $	**January 31, 2017 (Unaudited) $**
Total Revenue	Nil	Nil
Loss attributable to the owners of the parent	602,800	211,796
Basic and diluted loss per-share	.01	.00
Total Assets	5,350,767	1,612,344
Total Non-Current financial liabilities	Nil	1,715,580

Liquidity

As at October 31, 2017, the Company had a working capital deficit of $4,086,754 (October 31, 2016: $2,532,536). As at January 31, 2018, the Company had a working capital deficit of $619,241. NMC is mainly in a pre-operative stage so is not therefor able to generate sufficient amounts of cash and cash equivalents from its operations in the short term to meet its planned growth.

Cash used in operating activities during the twelve months ended October 31, 2017 was $594,765 (October 31, 2016: $187,194). The cash inflows from operating activities mainly related to non-cash expenses of $147,452 and from non-cash working capital changes of $498,817. Cash outflows from operating activities mainly relate to a net loss for the period of $1,241,034.

During the three months ended January 31, 2018, cash used in operating activities was $726,817 (January 31, 2017: $142,540). The cash outflows from operating activities mainly related to a net loss for the period of $602,800 and from non-cash working capital changes of $155,425.

Cash gained from financing activities during the twelve months ended October 31, 2017 is $1,126,515 (October 31, 2016: $419,851). The cash inflows from financing activities mainly relate to advances from related parties and net proceeds of long-term debt.

During the three months ended January 31, 2018, cash gained from financing activities was $3,923,978 (January 31, 2017: $284,365). The cash inflows from financing activities mainly relate to the private placement of shares, net of issuance costs, for $3,880,000, and advances from related parties of $52,417.

Cash used in investing activities during the twelve months ended October 31, 2017 is $447,290 (October 31, 2016: $341,343). The cash used for investing activities is mainly related to investments in capital.

During the three months ended January 31, 2018, cash used in investing activities was $962,555 (January 31, 2017: $11,944). The cash used for investing activities is mainly related to investments in capital.

Contractual obligations and commitments

As at January 31, 2018 the payments due by period are set out in the following table:

	Less than 1 year	**1-3 years**	**Total**
Long-term debt	$948,780	$247,820	$1,196,600
Total	$948,780	$247,820	$1,196,600

Under the Company's credit facility, the Company is required to maintain certain financial ratios at the end of each reporting period. The Company is not compliant with all financial covenants under the credit facility as the Company has not obtained its license to sell cannabis. As a result, the balance of the mortgage payable has been classified as a current liability. The Company is currently in negotiations to rectify the breach.

Capital resources

The Company constantly monitors and manages its capital resources to assess the liquidity necessary to fund operations and capacity expansion. As at October 31, 2017 the Company had a cash balance of $91,400 and current liabilities of $4,254,921. As at January 31, 2018, the Company had a cash balance of $2,326,005 and current liabilities of $3,146,933.

The Company's current resources are sufficient to settle its current liabilities as at the date of this MD&A.

Management believes the current resources available will provide for a substantial expansion of the facilities, barring any unforeseen delays or complications.

Off-balance sheet arrangements

The land on which the greenhouse facility is situated is subject to an option to purchase held by Ms. Rombouts and her partner Mr. Burch. Upon exercise of the option and the payment of $976,000, the founders must immediately grant to NMC a lease over the land, with such lease: (i) being for a term of 20 years, with four 5-year renewals; (ii) having monthly net rent not exceeding $6,100 throughout the term and renewals; (iii) having such terms and conditions that are in form and substance satisfactory to NMC, acting reasonably; and (iv) having no terms or conditions that are materially unusual or adverse to NMC in the opinion of its board of directors, acting reasonably. The option may not be exercised if such exercise would jeopardize any cannabis production or sale license of NMC or NMC's ability to conduct business under any such license.

Transactions between related parties

As at October 31, 2017, the Company was indebted to shareholders and a relative of a majority shareholder of the Company in the amount of $430,562 (October 31, 2016: $323,022). During the three months ended January 31, 2018, NMC issued common shares in its capital (each, a "Common Share") to pay off such indebtedness in full.

Risks and uncertainties

Commercial medical cannabis production is a new industry in Canada and relies on, among other things, obtaining and maintaining regulatory approvals. As a result, there is a high degree of risk associated with the Company's business. There is a significant risk that the expenditures made by the Company in developing its medical cannabis business will not result in profitable operations.

There are a number of risk factors that could cause future results to differ materially from those described herein. Additional risks and uncertainties, including those that the Company does not know about or that it currently deems immaterial, could also adversely affect the Company's business and results of operations.

Information related to the risks and uncertainties faced by the Company can be found under "Part IV – Risk Factors" of the Filing Statement, which may be viewed under the SEDAR profile of Carlaw at www.sedar.com.

Significant accounting estimates

Refer to Note 2 of the Financial Statements.

New accounting standards and interpretations not yet adopted

Refer to Note 2 of the Financial Statements.

Disclosure controls and procedures

The Company's President & Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company.

Outstanding share data

The authorized capital of the Company consists of an unlimited number of Common Shares without par value, of which 179,444,014 are issued and outstanding and an unlimited number of non-voting Class C Special shares, of which 976,000 are issued and outstanding as of the date hereof.

Refer to "Capitalization of Natural MedCo" and "Description of the Securities" under "Part II – Information Concerning Natural MedCo" of the Filing Statement, which may be viewed under the SEDAR profile of Carlaw at www.sedar.com, for additional information related to the securities of the Company.

Additional information

Additional information relating to the Company is contained in the Filing Statement which may be viewed under the SEDAR profile of Carlaw at www.sedar.com.

Approval

The Board of Directors of the Company has approved the disclosure in this MD&A.

Subsequent Events

Shareholder Meeting

On May 28, 2018, the Company held a special meeting of its shareholders to approve certain matters related to the transactions including the amalgamation (the "Amalgamation") of the Company with a wholly-owned subsidiary of Carlaw and articles of amendment (the "Articles of Amendment") effecting a split of the Common Shares, on a 1:2 basis, and removing certain private company restrictions, all of which were approved.

Amalgamation Agreement

On June 14, 2018, the Company entered into an amalgamation agreement (the "Amalgamation Agreement") with Carlaw and its wholly owned subsidiary to effect the Amalgamation. In accordance with the terms of the Amalgamation Agreement, all issued and outstanding securities of the Company will be exchanged for securities of Carlaw having substantially the same terms on a one-for-one basis.

Articles of Amendment

On June 14, 2018, the Company filed the Articles of Amendment.

Equity Offerings

On June 15, 2018, the Company completed a non-brokered private placement (the "Non-Brokered Private Placement") of 17,852,600 Common Shares at a subscription price of $0.25 per Common Share, and a brokered private placement (the "Brokered Private Placement", and together with the Non-Brokered Private Placement, the "Equity Offerings") of up to 25,340,000 subscription receipts (each, a "Subscription Receipt") at a subscription price of $0.25 per Subscription Receipt, for aggregate gross proceeds of approximately $10.8 million. In connection with the Brokered Private Placement, the Company entered into an agency agreement with Haywood Securities Inc. ("Haywood"), and PI Financial Corp., as co-lead agents, Echelon Wealth Partners and INFOR Financial Inc. (collectively, the "Agents") to sell the Subscription Receipts on a best-efforts basis.

The gross proceeds of the Brokered Private Placement, less: (A) fifty percent of the Agents' cash fees (as described below); (B) certain expenses of the Agents; and (C) fifty percent of the gross proceeds of the Brokered Private Placement, which were paid to the Company net of the corporate finance fee (as described below) and certain other payables were paid as directed by the Company, were deposited in escrow (such funds, collectively with all interest earned thereon, the "Escrow Funds") until the satisfaction of certain release conditions, including all conditions precedent to the Amalgamation, have been met (the "Release Conditions").

Upon the satisfaction of the Release Conditions, each Subscription Receipt will be converted into one Common Share without payment of any additional consideration or further action on the part of the holder thereof; and at the effective time of the Amalgamation, each Common Share will be exchanged for one common shares in the capital of Carlaw (subsequent to Carlaw completing a 1:2 stock split).

In the event that the Release Conditions have not been satisfied prior to 120 days following the closing of the Brokered Private Placement, or the Company advises the Agents or announces to the public that it does not intend to satisfy the Release Conditions or that the proposed transaction with Carlaw has been terminated, the aggregate issue price of the Subscription Receipts shall be returned to the applicable holders of the Subscription Receipts together with their *pro rata* portion of any interest earned thereon (net of any applicable withholding taxes), and such Subscription Receipts shall be automatically cancelled and be of no further force and effect. The Company will be responsible and liable to the holders of the Subscription Receipts for any shortfall between the aggregate issue price of such Subscription Receipts and the Escrow Funds.

In connection with the Brokered Private Placement, the Agents received a cash fee equal to 7% of the aggregate gross proceeds of the Brokered Private Placement. The Agents also received such number of compensation options equal to 7% of the number of Subscription Receipts issued by the Company (each, an "Equity Compensation Option") each being exercisable for one Common Share at a price of $0.25 per share for a period of two years from the date the Release Conditions are satisfied. In connection with the Amalgamation, each Equity Compensation Option will be exchanged into one compensation option of Carlaw (now, the "Resulting Issuer"). In addition, the Agents also received a corporate finance fee of $150,000 plus applicable taxes and an additional 675,000 Equity Compensation Options.

Debenture Offering

Concurrently with the closing of the Brokered Private Placement, the Company also completed a private placement (the "Debenture Offering") of 10,000 debenture units (the "Debenture Units") for aggregate gross proceeds $10,000,000, each Debenture Unit consisting of (i) a $1,000 principal amount senior unsecured convertible debenture of the Company maturing two years from the date of issue and bearing interest at 10.0% per annum (a "Debenture"); and (ii) common share purchase warrants (each, a "Warrant") exercisable for up to 3,333 Common Shares at an exercise price per share of $0.35 for a period of two years from the date of issue. The Debentures are convertible into that number of Common Shares computed on the basis of the principal amount of the Debentures divided by the conversion price of $0.30 per share at the holder's option or upon mandatory conversion at the request of the Company in the event that at any time following four months plus one day following the Amalgamation, for any ten consecutive trading days, the volume weighted average closing price of the shares of the Resulting Issuer on the TSXV is greater than $0.60. Upon conversion of the Debentures, the holder will also receive a cash payment equal to the additional interest amount that such holder would have received if it had held the Debentures for the period of one year from the date of conversion provided that such period shall not extend past the maturity date of the Debentures.

The gross proceeds of the Debenture Offering were deposited in escrow (such funds, collectively with all interest earned thereon, the "Debenture Escrow Funds") until the satisfaction of certain release conditions, including all conditions precedent to the Amalgamation, have been met (the "Debenture Escrow Release Conditions"). In connection with the Amalgamation, the Debentures and the Warrants will be exchanged for debentures and warrants of the Resulting Issuer having substantially the same terms and maturing or expiring, as applicable, two years from the date the Debenture Escrow Release Conditions are satisfied.

In connection with certain financial advisory services provided by Haywood in connection with the Debenture Offering, Haywood received a cash fee of $500,000 plus applicable taxes as well 2,333,333 compensation options (each, an "Debenture Compensation Option") each being exercisable for one NMC Common Share at a price of $0.30 per share for a period of two years from the date the Release Conditions are satisfied. In connection with the Amalgamation, each Debenture Compensation Option will be exchanged into one compensation option of the Resulting Issuer.

SCHEDULE E
PRO FORMA FINANCIAL STATEMENTS OF THE RESULTING ISSUER

(see attached)

Eve & Co Incorporated

PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2018

(Unaudited and expressed in Canadian Dollars)

Eve & Co Incorporated
Carlaw Capital V Corp. and 1600978 Ontario Inc. (operating as Natural MedCo)
Pro Forma Consolidated Statement of Financial Position as at March 31, 2018
(Unaudited)

	1600978 Ontario Inc. (operating as Natural Med Co.)	Carlaw Capital V Corp.	Note Ref.	Pro Forma Adjustments	Pro Forma Consolidated
	($ CDN)	*($ CDN)*		*($ CDN)*	*($ CDN)*
	As at January 31, 2018	*As at March 31, 2018*			
Assets					
Current Assets					
Cash and cash equivalents	$ 2,326,005	$ 217,117	2e)	$ 10,798,150	
			2f)	(612,950)	
			2i)	10,000,000	
			2j)	(500,000)	
			2h)	(700,000)	21,528,322
Other receivables and prepaid expenses	201,687				201,687
Total current assets	2,527,692	217,117	-	18,985,200	21,730,009
Property and equipment	2,823,075				2,823,075
Total assets	$ 5,350,767	$ 217,117	$ -	$ 18,985,200	$ 24,553,084
Liabilities and (Deficiency) Equity					
Current liabilities					
Accounts payable and accrued liabilities	593,993	25,302		-	619,295
Class C special share liability	976,000	-	2c)	(976,000)	-
Promissory note	-	-	2c)	976,000	976,000
Current portion of long-term debt	1,576,940	-		-	1,576,940
Total current liabilities	3,146,933	25,302		-	3,172,235
Convertible debenture			2i)	7,000,000	
			2j)	(350,000)	
			2k)	(197,400)	6,452,600
Total liabilities	3,146,933	25,302		6,452,600	9,624,835
(Deficiency) Equity					
Share capital	5,894,003	495,171	2a)	403,979	
			2d)	(495,171)	
			2d)	1,590,000	
			2e)	10,798,150	
			2f)	(612,950)	
			2g)	(397,000)	17,676,182
Contributed surplus	-	66,433	2d)	(66,433)	
			2d)	161,000	
			2g)	397,000	
			2i)	3,000,000	
			2j)	(150,000)	
			2k)	197,400	3,605,400
Deficit	(3,690,169)	(369,789)	2a)	(403,979)	
			2d)	369,789	
			2d)	(1,559,185)	
			2h)	(700,000)	(6,353,333)
Total (deficiency) equity	2,203,834	191,815		12,532,600	14,928,249
Total liabilities and (deficiency) equity	$ 5,350,767	$ 217,117		$ 18,985,200	$ 24,553,084

1. Basis of Presentation

The accompanying unaudited pro forma consolidated statement of financial position of Carlaw Capital V Corp. ("Carlaw") has been prepared by management to reflect the acquisition of 1600978 Ontario Inc. (operating as Natural MedCo) ("NMCo") by Carlaw after giving effect to the proposed transactions (the "Transaction") as described in Note 2.

The unaudited pro forma statement of financial position have been prepared from information derived from and should be read in conjunction with the following:

1. The unaudited condensed interim financial statements of Carlaw as at and for the period ended March 31, 2018; and

2. The audited financial statements of NMCo as at and for the years ended October 31, 2017 and 2016 and the unaudited interim condensed financial statements as at January 31, 2018 and for the periods ended January 31, 2018 and 2017.

The unaudited pro forma consolidated statement of financial position of NMCo as at January 31, 2018 and Carlaw as at March 31, 2018 has been presented assuming the Transaction had been completed on March 31, 2018.

The Transaction has been accounted for in accordance with IFRS 2, Share Based Payments. The Transaction has been accounted for in the unaudited pro forma consolidated statement of financial position as a continuation of the financial statements of NMCo, together with a deemed issuance of shares and stock options, equivalent to the shares and stock options held by the former shareholders of Carlaw, in return for the net assets of Carlaw and a re-capitalization of the equity of NMCo. The fair value of the deemed share issuance was determined based on the fair value of the common shares issued by NMCo.

No adjustments have been made to reflect additional costs or cost savings that could result from the combination of the operations of Carlaw and NMCo, as management does not anticipate any material costs or cost savings as a result of this Transaction.

The unaudited pro forma consolidated statement of financial position has been prepared for illustration purposes only and may not be indicative of the combined results or financial position had the Transaction been in effect at the date indicated.

2. Pro Forma Assumptions and Adjustments

On December 18, 2017, Carlaw announced that it had entered into a definitive agreement with the NMCO pursuant to which it would acquire all of the issued and outstanding common shares of the NMCO (the "Transaction"). The Transaction is expected to constitute Carlaw's "qualifying transaction" pursuant to the policies of the TSX Venture Exchange. Immediately prior to the Transaction, Carlaw will complete a share split on a one for two basis resulting in an aggregate of approximately 6,360,000 post-split common shares outstanding. Prior to the Transaction NMCo will complete a share split on a one for two basis resulting in an aggregate of approximately 161,591,414 common shares in the capital of NMCo outstanding ("NMCo Common Shares").

The unaudited pro forma consolidated statement of financial position gives effect to the following assumptions and adjustments:

a) NMCo issued 807,957 NMCo Common Shares (on a pre-split basis), at a deemed price of $0.50 (post-split $0.25), to a consultant for services provided in relation to the Transaction.

b) The issuance by Carlaw of 161,591,414 post-split common shares, to acquire 100% of the issued and outstanding NMCo Common Shares ("Resulting Issuer Common Shares").

c) Carlaw's wholly-owned subsidiary will acquire the Class C special shares of NMCo via the issuance of a promissory note to the former holders of these shares. These Class C special shares will be cancelled in connection with the completion of the Transaction.

d) Share capital, contributed surplus and the deficit of Carlaw are eliminated.

Deemed issuance of 6,360,000 Resulting Issuer Common Shares to former Carlaw shareholders	$1,590,000
Deemed issuance of stock options to former Carlaw stock option holders	161,000
Total deemed consideration paid	$1,751,000

Cash	$217,117
Accounts payable and accrued liabilities	(25,302)
Transaction costs expensed	1,559,185
Value attributed to NMCO shares issued	$1,751,000

The deemed value for each Resulting Issuer Common Share issued was $0.25 based on the anticipated pricing of the concurrent financing (see note 2(h)). The deemed issuance value of 720,000 stock options was determined using the black-scholes model assuming an exercise price of $0.10, a risk free rate of 1.35%, volatility of 100% and share price of $0.25.

e) Prior to the Transaction, NMCo intends to complete a private placement of 25,340,000 subscription receipts on a brokered basis and 17,852,600 common shares on a non-brokered basis, all at a price of $0.25 per security (collectively, the "Private Placements") for gross proceeds of approximately $10,798,150. Concurrently with the closing of the Transaction each subscription receipt will automatically convert into one common shares of NMCo, which will then be converted into one Resulting Issuer Common Share.

f) In connection with the brokered private placement the agents will receive as compensation 7% of the gross proceeds ($443,450) of the financing in addition to a $169,500 (plus applicable taxes) corporate finance fee.

g) In connection with the brokered private placement the agents the agents will receive 2,448,800 compensation options with an exercise price of $0.25 per share for a period of two years from the closing of the Transaction. The compensation options have been valued at $397,000 using the Black-Scholes option pricing model with the following assumptions:

Risk- free interest rate	1.35%
Dividend yield	Nil
Volatility factor	100%
Expected life	2 years

h) Costs associated with the Transaction are estimated to be $700,000.

i) Concurrently with closing of the Private Placements, NMCo intends to complete an offering of 10,000 debenture units for aggregate gross proceeds of $10,000,000. Each debenture unit consists of a $1,000 principal amount senior unsecured convertible debenture of NMCo maturing two years from closing of the Transaction and bearing interest at 10.0% per annum (a “Debenture”); and common share purchase warrants exercisable for up to 3,333 NMCo Common Shares at an exercise price per share of $0.35 for a period of two years from the closing date of the Transaction. The Debentures will be convertible into that number of NMCo Common Shares computed on the basis of the principal amount of the Debentures divided by the conversion price of $0.30 per share at the holder’s option. The debenture has been bifurcated between its debt and equity components by fair valuing the debt component using a discount rate of 20% and allocating the residual to the equity component. As result, $3,000,000 has been attributed to contributed surplus as the equity of debenture component of the debenture. For purposes of the pro forma the warrants have not been valued as it would have a $NIL impact on contributed surplus.

j) In connection with the Debenture financing, NMCo will incur a $500,000 financing fee. This fee has been allocated to the debenture and contributed surplus on the same basis that the debenture was bifurcated between debt and equity.

k) In connection with the Debenture financing NMCo will issue 2,333,333 compensation options each being exercisable for one NMCo Common Share at a price of $0.30 per share for a period of two years from the date of the closing of the Transaction. The compensation options have been valued at $282,000, using the Black-Scholes option pricing model with the following assumptions, all of which have been treated as a period expense:

Risk- free interest rate	1.35%
Dividend yield	Nil
Volatility factor	100%
Expected life	2 years

This value has been allocated to the debenture and contributed surplus on the same basis that the debenture was bifurcated between debt and equity.

l) The pro forma effective income tax rate applicable to the operations will be approximately 26%.

2. Pro Forma Share Capital

	Note	Number-Common	Amount
NMCo Common Shares issued and outstanding as at January 31, 2018		79,987,750	$ 5,894,003
NMCo Common Shares for services issuance	2(a)	807,957	403,979
Proposed 1 for 2 New Common Share split	2(b)	80,795,707	-
Deemed issuance of Resulting Issuer Common Shares to former Carlaw shareholders	2(d)	6,360,000	1,590,000
Private Placements issuance	2(e)	43,192,600	10,798,150
Cash share issue costs related to the Private Placement	2(f)	-	(612,950)
Fair value of compensation options	2(g)	-	(397,000)
Pro forma share capital as at March 31, 2018		211,144,014	$17,676,182