

**Form 45-106F6**

***British Columbia Report of Exempt Distribution***

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution in British Columbia.

**Issuer information**

**Item 1: Issuer name and contact information**

A. State the following:

- the full name of the issuer of the security distributed. Include the former name of the issuer if its name has changed since this report was last filed;
- the issuer's website address; and
- the address, telephone number and email address of the issuer's head office.

Cannabis Royalties & Holdings Corp.

804-750 West Pender St.

Vancouver, BC V6C 2T7

(604) 682-2928

mlustig@cannabisroyalties-hc.com

**Item 2: Reporting issuer status**

A. State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

The issuer is not a reporting issuer.

**Item 3: Issuer's industry**

Indicate the industry of the issuer by checking the appropriate box below.

☐ Bio-tech

Financial Services

☒ investment companies and funds

☐ mortgage investment companies

☐ Forestry

☐ Hi-tech

☐ Industrial

Mining

☐ exploration/development

☐ production

☐ Oil and gas

☐ Real estate

☐ Utilities

☐ Other (describe)

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**Item 4: Insiders and promoters of non-reporting issuers**

If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and promoter of the issuer. If the insider or promoter is not an individual, complete the table for directors and officers of the insider or promoter.

<b>Information about insiders and promoters</b>			
Full name, municipality and country of principal residence	All positions held (e.g., director, officer, promoter and/or holder of more than 10% of voting securities)	Number and type of securities of the issuer beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution	Total price paid for all securities beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution (Canadian \$)
Marc Lustig Sherbrooke, Quebec Canada	President & a director, holder of more than 10%	2,416,250 common shares 200,000 common shares 256,335 common shares	\$48,325  \$100,000 \$192,251.25
Lance Morginn Vancouver, BC Canada	Former officer and director, holder of more than 10%	1,000,010 common shares	\$20,005
Camille Rabay Ottawa, Ontario Canada	Holder of more than 10%	900,000 common shares	\$90,000
Bill Petron Oshawa, Ontario Canada	Holder of more than 10%	1,000,000 common shares	\$100,000
Mark Christensen Toronto, Ontario Canada	Holder of more than 10%	500,000 common shares 1,000,000 common shares 503,750 common shares	\$50,000 \$500,000 \$10,075

## Details of distribution

### Item 5: Distribution date

State the distribution date. If this report is being filed for securities distributed on more than one distribution date, state all distribution dates.

March 17, 2016

### Item 6: Number and type of securities

For each security distributed:

- describe the type of security;
- state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and
- if the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, state the exemption(s) relied on. If more than one exemption is relied on, state the amount raised using each exemption.

3,333,333 common shares at a price of \$0.75 per share.

### Item 7: Geographical information about purchasers

Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report. The information provided in this table must reconcile with the information provided in item 8 and Schedules I and II.

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) <sup>1</sup>	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Ontario	21	\$0.75	\$2,110,248.75
British Columbia	1	\$0.75	\$22,500.00
Quebec	2	\$0.75	\$242,251.50
United States	1	\$0.75	\$124,999.50
<b>Total number of Purchasers</b>	25		
<b>Total dollar value of distribution in all jurisdictions (Canadian \$)</b>			\$2,499,999.75

Note 1: If securities are issued at different prices, list the highest and lowest price for which the securities were sold.

## Item 8: Information about purchasers

### Instructions

A. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

B. Information about the purchasers of securities under the distribution is required to be disclosed in different tables in this report. Complete

- the following table for each purchaser that is not an individual, and
- the tables in Schedules I and II of this report for each purchaser who is an individual.

Do not include in the tables information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report.

C. An issuer or underwriter completing this table in connection with a distribution using the exemption in subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus and Registration Exemptions* may choose to replace the information in the first column with the total number of purchasers, whether individuals or not, by jurisdiction. If the issuer or underwriter chooses to do so, then the issuer or underwriter is not required to complete the second column or the tables in Schedules I and II.

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number of common shares purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
1671300 Ontario Ltd. 6394 Pineston Rd. Niagara Falls, ON L2J 4L1 Nick Matovic 289 407-6444	N/A	100,000	\$75,000.00	S. 2.3 of NI 45-106	2016-03-17
Silroc Holdings Inc. 3522 Wyman Cres. Ottawa, ON K1N 0Y9 Rocco Meliambro 613 913-9145	N/A	100,000	\$75,000.00	S. 2.3 of NI 45-106	2016-03-17

<b>Information about non-individual purchasers</b>					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number of <b>common shares</b> purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
Halex Capital Inc. 6000 Marineland Parkway Niagara Falls, ON L2G 0E3 Dragan Matovic 905 329-4137	N/A	66,666	\$49,999.50	S. 2.3 of NI 45-106	2016-03-17
PBTEK Investments Inc. 6088 Knights Ave. Ottawa, ON K4M 0A2 Paul McCarney 613 491-2077	N/A	33,333	\$24,999.75	S. 2.3 of NI 45-106	2016-03-17
McCarney Family Foundation 6088 Knights Ave. Ottawa, ON K4M 0A2 Paul McCarney 613 491-2077	N/A	33,333	\$24,999.75	S. 2.3 of NI 45-106	2016-03-17
Sutton Ventures Ltd. 44486 Monte Vista Drive Sardis, BC V2R 5T2 Brayden Sutton 604 997-9007	N/A	30,000	\$22,500.00	S. 2.3 of NI 45-106	2016-03-17
Christensen GM&P Holding Corp. 112 Hazelton Ave. Toronto, ON M5R 2E5 Mark Christensen 416 918-8594	R I	280,000	\$210,000.00	S. 2.3 of NI 45-106	2016-03-17
2415124 Ontario Inc. 20 Gala Lane Toronto, ON M8Y 0A9 Juhan Laur 416 275-3719	R	70,000	\$52,500	S. 2.3 of NI 45-106	2016-03-17

<b>Information about non-individual purchasers</b>					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number of <b>common shares</b> purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
Three Leaf Holdings 115 Clear Springs Rd. Whitby, ON L1R 3J9 Diane Scott 647 622-6236	N/A	666,666	\$499,999.50	S. 2.3 of NI 45-106	2016-03-17
Cateus Capital Inc. 2865 Bristol Circle Oakville, ON L6H 6X5 John Alan Wargo 905 828 7291	N/A	100,000	\$75,000.00	S. 2.3 of NI 45-106	2016-03-17
Jessab Equities Inc. 27 Nesbitt St. Ottawa, ON K2H 8C4 Nathan Smith 613 226-8008	N/A	70,000	\$52,500.00	S. 2.3 of NI 45-106	2016-03-17
AJKNJ Corp. 4880 Sherbrooke St., Suite 140 Montreal, QC H3Z 1H1 Marc Lustig 514 243-7438	I	256,335	\$192,251.25	S. 2.3 of NI 45-106	2016-03-17

## Commissions and finder's fees

### Item 9: Commissions and finder's fees

#### Instructions

A. Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include information about payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

B. If the securities being issued as compensation are or include convertible securities, such as warrants or options, add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R)	Compensation paid or to be paid (cash and/or securities)				
		Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
			Number and type of securities issued	Price per security (Canadian \$)	Exemption relied on and date of distribution (yyyy-mm-dd)	
N/A						

## Certificate

On behalf of the issuer, I certify that the statements made in this report are true.

Date: March 23, 2016

Cannabis Royalties & Holdings Corp.

Name of issuer (please print)

Peter Dunne, Solicitor, (416) 869-5342

Print name, title and telephone number of person signing

"Peter Dunne"

Signature

### *Instruction*

*The person certifying this report must complete the information in the square brackets by deleting the inapplicable word. For electronic filings, substitute a typewritten signature for a manual signature.*

### **Item 10: Contact information**

State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

**IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.**

### **Notice - Collection and use of personal information**

The British Columbia Securities Commission collects and uses the personal information required to be included in this report for the administration and enforcement of the *Securities Act*. If you have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

#### **British Columbia Securities Commission**

P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, British Columbia V7Y 1L2  
Telephone: (604) 899-6500  
Toll free across Canada: 1-800-373-6393  
Facsimile: (604) 899-6581



## ***Guidance for completing and filing Form 45-106F6***

1. ***Required form in British Columbia*** - In British Columbia, file this report and the applicable fee using BCSC e-services in accordance with British Columbia Instrument 13-502 Electronic filing of reports of exempt distribution. If the distribution occurs in British Columbia and one or more other jurisdictions, the issuer is required to file this report in British Columbia and file Form 45-106F1 in the other applicable jurisdictions.
2. ***What is a distribution?*** - In British Columbia, “distribution” includes distributions made from British Columbia to purchasers resident in other Canadian or foreign jurisdictions if the issuer has a significant connection to British Columbia. If the issuer has a significant connection to British Columbia, complete the tables in item 8 and Schedules I and II for all purchasers.

*In British Columbia, “distribution” also includes distributions made from another Canadian or foreign jurisdiction to purchasers resident in British Columbia. If the issuer is from another Canadian or foreign jurisdiction, complete the tables in item 8 and Schedules I and II only for purchasers resident in British Columbia.*

3. ***What is a purchaser?*** - References to a purchaser in this report are to the beneficial owner of the securities.
4. ***What is an individual?*** - An individual is a natural person. A corporation, partnership, party, trust, fund, association, and any other organized group of persons is not an individual.
5. ***Space in tables*** - If the space provided in any table in this Form is insufficient, please adjust the table to include additional space.
6. ***Multiple distributions*** - One report may be used for multiple distributions occurring within 10 days of each other if the report is filed on or before the 10th day following the first of such distributions.
7. ***Fees*** - In order to determine the applicable fee, consult Fee Checklist British Columbia Form 11-901F (item # 16).