Offering Memorandum

Date: April 29, 2019

THE ISSUER

Name: Green Mountain Health Alliance Ltd.
Head office: Address: 465 Ellis Street, Penticton, BC V2A 4M1
Phone #: 250-486-5454
E-mail address: info@gmtn.ca
Fax #: 250-486-5454

Currently listed or quoted? **No. These securities do not trade on any exchange or market.**
Reporting issuer? **No**
SEDAR filer? **No**

The Offering	
Securities offered:	450,000 in Common Shares (each, a "**Share**")
Price per security:	$0.50 CD / $0.38 US
Minimum/Maximum offering:	There is no minimum. You may be the only purchaser. Funds available under the offering may not be sufficient to accomplish our proposed objectives.
Minimum subscription amount:	$500.00 initial investment per Subscriber of Common Shares.
Payment terms:	Payable directly to Green Mountain Health Alliance Ltd.
Proposed closing date(s):	One or more closings on dates to be determined by Green Mountain.
Income tax consequences:	There are important tax consequences to these securities. See item 7.
Selling agent?	No. ***See item 8.***

Resale restrictions

You will be restricted from selling your securities for an indefinite period. ***See item 11.***

Purchaser's rights

You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this offering memorandum, you have the right to sue either for damages or to cancel the agreement. ***See item 12.***

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this offering memorandum. Any representation to the contrary is an offence. This is a risky investment. *See item 9 - Risk Factors*.

CONTENTS

FORWARD LOOKING STATEMENTS

Certain information contained in this Offering Memorandum may be forward-looking statements or forward-looking information (referred to as "**forward-looking statements**"). Forward-looking statements are often, but not always, identified by the use of words such as "**seek**", "**anticipate**", "**plan**", "**continue**", "**estimate**", "**expect**", "**may**", "**will**", "**intend**", "**could**", "**might**", "**should**", "**believe**" and similar expressions. Examples of such forward-looking statements in this Offering Memorandum include, but are not limited to, financial and business prospects and financial outlooks. The forward-looking statements are based on certain assumptions, which include, amongst other things, whether the Company has sufficient capital to affect its objectives, whether the objectives will produce the results intended by the Company, and whether the markets will react and perform in a manner consistent with the business objectives. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions and that information received from third parties is reliable, it can give no assurance that those expectations will prove to have been correct.

Forward-looking statements are subject to certain risks and uncertainties that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. These factors include, but are not limited to, changes in general economic and market conditions and other risk factors. Accordingly, readers should not place undue reliance upon the forward-looking statements contained in this Offering Memorandum and such forward-looking statements should not be interpreted or regarded as guarantees of future outcomes. Any forward-looking statements contained in this Offering Memorandum are expressly qualified, in their entirety, by this cautionary statement.

Any forward-looking statements contained in this Offering Memorandum are made as of the date hereof and the Company does not undertake to update or revise them, except as may be required by applicable securities law.

INCORPORATION BY REFERENCE OF CERTAIN MARKETING MATERIALS

Certain written marketing materials delivered or made available to prospective purchasers in relation to the distribution of Common shares under this Offering Memorandum are incorporated by reference into this Offering Memorandum and are considered to form part of this Offering Memorandum just as if they were printed as part of it. In particular, in Alberta, Saskatchewan, Ontario, New Brunswick and Nova Scotia all OM marketing materials (as defined below) related to a distribution under this Offering Memorandum that are delivered or made reasonably available to prospective purchaser before the termination of the distribution are hereby incorporated by reference into this Offering Memorandum. For these purposes, "**OM marketing materials**" means a written communication, other than an OM standard term sheet (as defined below), intended for prospective purchasers regarding a distribution of securities under an Offering Memorandum delivered under section 2.9 of National Instrument 45-106 Prospectus Exemptions ("**NI 45-106**") that contains material facts relating to the Common Shares. An "OM standard term sheet" means a written communication intended for prospective purchasers regarding a distribution of Common Shares under this Offering Memorandum delivered under section 2.9 of NI 45-106 that contains only certain prescribed information set out in NI 45-106.

Item 1: Use of Available Funds

1.1 *Funds*

The following table discloses the net proceeds of the Offering after deduction of the costs associated with the offering:

		Assuming Min. Offering	Assuming Max. Offering
A.	Amount to be raised in this offering	$ 500	$ 225,000
B.	Selling commission and fees (1)(2)	$ 0	$ 0
C.	Estimated offering costs (e.g., legal, accounting, audit.) (2)	$ 15,000	$ 15,000
D.	Available funds: D = A - (B+C) (2)	$ -15,500	$ 210,000
E.	Additional sources of funding required (3)	$ See 1.2(2)	$ See 1.2(2)
F.	Working capital deficiency	$ 0	$ 0
G.	**Total: G = (D+E) - F**	**$** -15,500	**$** 210,000

Notes:

(1) No commission will be paid in connection with this Offering.

(2) We have paid the offering costs associated with this offering memorandum with other funds available to us. These are, however, the estimated costs of these expenditures.

(3) We will require additional financing as set out in ***Item 1.2(2) Additional Capital Required***. Concurrent with this offering we will be raising capital under the accredited investor exemption and other exemptions available to us.

1.2 *Use of Available Funds*

(1) Use of Funds from This Offering

The following table provides a detailed breakdown of how we plan to use the available funds from this offering:

Description of intended use of available funds listed in order of priority	Assuming Min. Offering	Assuming Max. Offering
Hemp - research and development project		
Concrete slabs	$ 0.00	$ 15,000
Lights	$ 0.00	$ 35,000
Fencing	$ 0.00	$ 21,000
Security	$ 0.00	$ 25,000
Electrical and labour	$ 0.00	$ 15,000
Construction labour	$ 0.00	$ 18,000
Service upgrade	$ 0.00	$ 5,000
Greener Life Medical - patient services business services		
Electronic medical record software	$ 0.00	$ 12,000
Website	$ 0.00	$ 10,000
Salaries for six months	$ 0.00	$ 6,500
Marketing	$ 0.00	$ 39,000

Description of intended use of available funds listed in order of priority	Assuming Min. Offering		Assuming Max. Offering	
General working capital	$	0	$	8,500
Total: Equal to G in the Funds table above	**$**	**0**	**$**	**210,000**

(2) Additional Capital Required

The funds being raised under this offering will be used to advance the business activities of two of our wholly-owned subsidiaries: 1178097 B.C. Ltd. and Greener Life Medical Inc. We will require additional funds in order to fully active the hemp research and development activities of 1178097 B.C. Ltd. Concurrent with this offering we will be raising capital under the accredited investor exemption and other exemptions available to us. We also intend to raise additional funds at different stages of development of these businesses.

If the proceeds of this offering are insufficient to allow us to complete our proposed projects, we may fund completion with working capital, or we may borrow additional funds under available lines of credit or seek alternative equity and debt financing. Furthermore, we may abandon certain projects, delay their timing, or modify the scope of those projects as the board determines is appropriate. Moreover, an investment in our Common Shares represents an investment in our business as a whole and not in this specific project or in any other aspect of our operations.

1.3 *Reallocation*

We intend to spend the available funds as stated. We will reallocate funds only for sound business reasons.

1.4 *Insufficient Funds*

The funds available as a result of this offering may not be sufficient to accomplish all of our proposed objectives, and there is no assurance that alternative financing will be available.

Item 2: Business of Green Mountain Health Alliance Ltd.

Green Mountain is located in the beautiful Okanagan Valley, widely revered as one of the best growing regions in all of Canada.

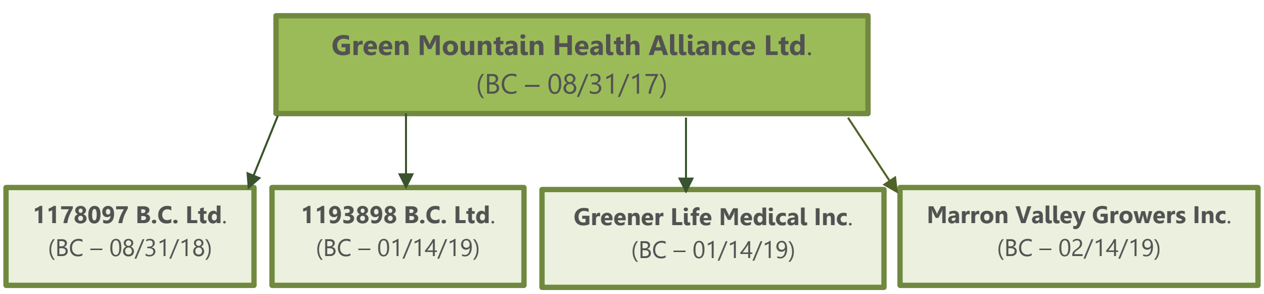
2.1 *Structure*

Our full corporate name is Green Mountain Health Alliance Ltd.

Our registered office is located at Suite 700 – 838 West Hastings Street, Vancouver, BC V6C 0A6. Our head office is located at 465 Ellis Street, Penticton, BC V2A 4M1.

We were incorporated on August 31, 2017, under the *Business Corporations Act* (British Columbia). We are not a reporting issuer anywhere in Canada.

We have four wholly-owned subsidiary companies all of which are incorporated in British Columbia: 1178097 B.C. Ltd., 1193898 B.C. Ltd., Greener Life Medical Inc., and Marron Valley Growers Inc.



1178097 B.C. Ltd.

We incorporated 1178097 B.C. Ltd. ("**1178097**") on August 31, 2018. 1178097 holds our leased commercial greenhouse and related assets located in Kaleden, British Columbia (the "**White Lake Property**"). 1178097 received an industrial hemp license for the White Lake Property on April 5, 2019.

We intend to use this facility to research and develop strains of hemp high in CBD which we hope to be able to subsequently register with Health Canada as approved cultivars.

1193898 B.C. Ltd.

We incorporated 1193898 B.C. Ltd. ("**1193898**") on January 14, 2019. We intend to transfer our various licenses (once received) under the Cannabis Act from Green Mountain to 1193898. We intend to use 1193898 to employ our Green Mountain team of executives, and the agricultural, engineering, horticulture, and genetic experts of our organization.

Greener Life Medical Inc.

We incorporated Greener Life Medical Inc. ("**Greener Life**") on January 14, 2019. In February 2019, we launched Greener Life, a patient care access service that delivers cannabis therapy to manage disease, illness or injury through tele medicine consultation.

Marron Valley Growers Inc.

We incorporated Marron Valley Growers Inc. ("**Marron-Valley**") on February 14, 2019. We have entered into an Intent to Lease a 98-acre parcel of Indigenous agricultural land in Marron Valley (the "**Marron Valley Property**"), which once approved will be held by Marron-Valley. The lease to develop the property for a full Cannabis Cultivation and Processing License requires approval from Indigenous and Northern Affairs Canada before we can commence construction. The Marron-Valley property – in addition to The White Lake property – is covered under Green Mountain's industrial hemp license, which was on April 5, 2019. Currently, we are developing plans to cultivate hemp under this subsidiary company.

2.2 *Overview*

Formed in the fall of 2017 to pursue an application to become a licensed cultivator and processor of cannabis under Health Canada's *Access to Cannabis for Medical Purposes Regulations* (Canada) ("**ACMPR**") program, Green Mountain has secured three properties in the Okanagan Valley in British Columbia. A full cannabis Cultivation and Processing License under the section 62 of the *Cannabis Act*, SC 2018 c16 ("**Cannabis Act**") is in the approval process with Health Canada on our Kaleden Property. We anticipate the first stage of greenhouse construction will be completed in the late spring of 2019. We also have a Letter of Intent to lease our Marron Valley Property and we have leased the White Lake Property where we have acquired a commercial greenhouse. We have received an industrial hemp license under the *Industrial Hemp Regulations (SOR/2018-145)* (Canada) (the "**Hemp Regs**") program intending to cultivate industrial hemp for the extraction of cannabidiol (CBD) and conduct research and development on a high CBD hemp strain.

We intend to grow cannabis and hemp, sell nursery stock, harvest and sell dried cannabis and hemp flower, and process and sell cannabis derivatives once licensed by Health Canada.

On February 26, 2018, we submitted our initial application for a license with Health Canada under the ACMPR program. The ACMPR was replaced by the Cannabis Act on October 17, 2018. We have since transitioned our license applications for cultivating and processing cannabis under the *Cannabis Act*.[1]

In February 2019, we received confirmation from Health Canada that our application was at the Review Stage. We have been identified as an Indigenous Associated Applicant under Health Canada's newly created Cannabis Tracking and Licensing System. We also received an Agricultural Land Reserve (ALR) greenhouse building permit from the Regional District of Okanagan-Similkameen (RDOS) for our 16-acre parcel of land in Kaleden, British Columbia. The excavation work on the property has been completed and greenhouse anchorage installation is underway. There may be a risk that our license applications will not be approved, thereby rendering us incapable of proceeding with this aspect of our business model. We intend to work diligently to comply with all of the requirements of Health Canada.

In February of 2019, we applied through 1178097 B.C. Ltd. and Marron Valley Growers Inc. for an industrial hemp cultivation licence under the *Industrial Hemp Regulations (SOR/2018-145)*. On April 5, 2019, Health Canada approved the hemp cultivation license that covers both the Marron Valley and White Lake properties. We intend to grow outdoor hemp on the Marron Valley property in which we have an intent to lease, and to utilize the White Lake greenhouse property we acquired as a nursery for hemp cultivation and research and development of a high CBD strain.

In February of 2019, we launched Greener Life Medical Inc., an online patient care access service that delivers cannabis education and therapy to manage disease, illness or injury through tele-medicine consultation. Currently, the Greener Life team has three book publications and our fourth publication with Springer Publishing is in process. Our education platform helps our patients become active participants in the buying process and provides our referring practitioners the knowledge they need to integrate cannabis therapy into their patient's care. Greener Life Medical Inc. is staffed by qualified health practitioners legally permitted to prescribe medicinal cannabis for pain therapy or the treatment of disabling illnesses. These health practitioners provide advice to patients regarding which product would benefit the patient to manage their ailment. The Company's practitioners operate within the federal and applicable provincial frameworks that govern all physicians and nurse practitioners in Canada. Also note that each of our authorizing practitioners are well known speakers and authors in the cannabis sector.

Ultimately, we anticipate our business activities will be focused on growing cannabis and hemp plants, selling nursery stock, harvesting and selling dried cannabis and hemp flower, and processing and the selling cannabis derivatives, as well as providing online patient education and care.

We do not intend to carry on business or invest - directly or indirectly - in any business that derives revenue - directly or indirectly - from the sale of cannabis or cannabis products in the United States or in any other jurisdiction where the sale of cannabis is federally unlawful.

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1 On October 17, 2018, cannabis ceased to be regulated as a Schedule 2 drug under the *Controlled Drugs and Substances Act*. It is now regulated under the *Cannabis Act*, *Cannabis Regulations*, the *Industrial Hemp Regulations*; *Qualifications for Designation as Analyst Regulations* (Cannabis); the *Cannabis Act (Police Enforcement) Regulations*, the *Cannabis Exemption (Food and Drugs Act) Regulations*; *Natural Health Products Regulations* and various provincial regulations.

2.3 *Our Vision and Values*

One of our mandates is to become a trusted go-to source for reliable, consistent, high-quality, naturally produced cannabis and hemp. As we grow, we intend to nurture meaningful relationships and provide educational programs, economic benefits, and job opportunities to the Indigenous communities in which we are situated.

Our goal is to build a sustainable model that can be implemented among other Indigenous peoples' communities throughout Canada.

2.4 *Principal Products*

Currently, we do not sell any product. We must be licensed by Health Canada as a licensed producer before we can grow or sell any cannabis products. We only recently obtained a license to grow industrial hemp in April 2019 and have not started growing hemp.

Health Canada, pursuant to the Cannabis Act, sets the standard required for the production and sale of cannabis and hemp. We intend to meet or exceed these standards by focusing on growing an organic pesticide-free product of the highest consistent quality possible.

(1) Cannabis

Assuming we are successful in obtaining a license as a licensed cultivator and processor of cannabis, we intend to grow cannabis plants, sell the dried plant, and extract and sell the oil derived from the plant for use in derivative products. We intend to apportion 20% of our production to flower and 80% of our production to oils.

We expect to offer a variety of dried cannabis strains and cannabis oils, each with varying levels of tetrahydrocannabinol ("**THC**") and cannabidiol ("**CBD**"). There is no limit imposed by the Cannabis Act on the amount of THC or CBD which a strain of dried cannabis may contain nor does the Cannabis Act set forth specific requirements for the pricing of dried cannabis or cannabis oils. Currently, pursuant to the Cannabis Act, cannabis oils are limited to 30 mg per ml (or 3%) of THC for oil and 10 mg per capsule. There is no limit on the amount of CBD in cannabis oil.

Currently, the average market price for dried cannabis is $8.23 (range $6.75 to $9.36 per gram)[2] and between $50.00 and $160.00 per 30 ml bottle for cannabis oils. Industry experts anticipate the price of dried cannabis and cannabis oil will experience downward pressure as more producers come into the market.

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2 Flanagan, Ryan, CTV News (April 11, 2019): https://www.ctvnews.ca/canada/canada-s-cannabis-landscape-a-province-by-province-breakdown-1.4375780

(2) Hemp

In April 2019, we obtained a license to grow industrial hemp at our White Lake Property and our Marron Valley Property. We have not yet initiated this business but expect to start growing our first crop in May 2019.

At this time, we intend to use the industrial hemp grown at our White Lake Property for our own agricultural research purposes including developing strains of hemp high in CBD which we hope to be able to subsequently register with Health Canada as approved cultivars.

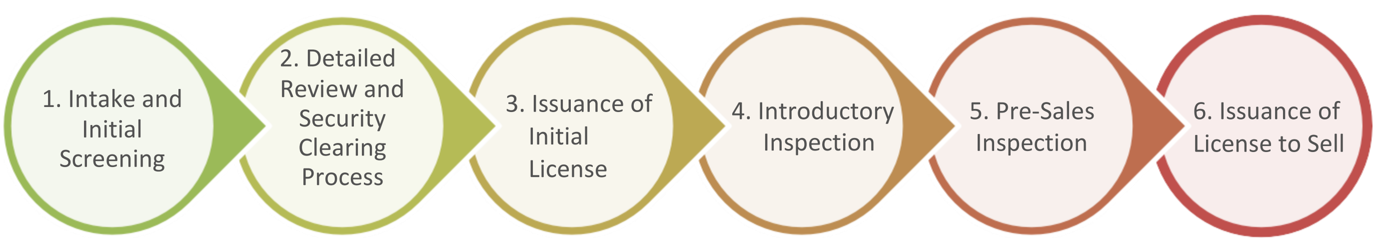
If we are successful in registering an industrial hemp strain high in CBD, we expect to begin the bulk sale of CBD oil in 2020. Based on observable broker quotations, management expects to achieve wholesale pricing between C $8,000 and C $12,000 for each kilogram of CBD isolate, the range being driven by the order size and quality requirement.

(3) Patient Care

In February of 2019, we launched Greener Life Medical Inc., an online patient care access service that delivers cannabis education and therapy to manage disease, illness or injury through tele-medicine consultation. Currently, the Greener Life team has three book publications and our fourth publication with Springer Publishing is in process. Our education platform helps our patients become active participants in the buying process and provides our referring practitioners the knowledge they need to integrate cannabis therapy into their patient's care. Greener Life Medical Inc. is staffed by qualified health practitioners legally permitted to prescribe medicinal cannabis for pain therapy or the treatment of disabling illnesses. These health practitioners provide advice to patients regarding which product would benefit the patient to manage their ailment. The Company's practitioners operate within the federal and applicable provincial frameworks that govern all physicians and nurse practitioners in Canada.

2.5 *Proposed Operations*

Overview



Source: Health Canada - https://www.canada.ca/en/health-canada/services/drugs-health-products/medical-use-marijuana/licensed-producers/application-process-becoming-licensed-producer.html

On February 26, 2018, we submitted our ACMPR application to Health Canada to license our Kaleden property for a 200,000-sq. ft. greenhouse cultivation facility. We were issued an application number on March 19, 2018. Our application is now being considered under the CTLS under the Cannabis Act which was implemented in October 2018. The adoption of the Cannabis Act has slowed the application process for most issuers who applied under the ACMPR System. We originally expected our application to be approved within eight (8) to twelve (12) months from the filing of our application. We now believe approval will occur in the late spring or summer of 2019.

Green Mountain has cultivated a strong leadership team and is working with top industry professionals such as Cannabis Commerce Association of Canada (CCAC) in advancing its business objectives.

2.6 *Properties*

We currently run our business from our head office at 465 Ellis Street, Penticton, BC V2A 4M1 and our Kaleden property at 760 Hwy 3A, Kaleden, BC V0H1K0.

We plan on growing cannabis and hemp on three agricultural properties located in British Columbia once we have received all required licenses and clearances. We refer to those properties as our White Lake Property, Marron Valley Property and Kaleden Property.

(1) White Lake Property

On January 25, 2019, we entered into an asset purchase and sale agreement with 1194371 B.C. Ltd. - a company wholly-owned by Ashley Stanfield. Under the terms of the agreement, we acquired commercial greenhouse assets located on the leased land in White Lake, British Columbia (the "**White Lake Property**") for a total consideration of $1,000,000. The consideration was made by a cash payment of $150,000 and the issuance of 1,700,000 common shares of the Green Mountain with a deemed value of $850,000.

We entered into a lease agreement for the White Lake Property on close of the asset purchase and sale agreement acquiring the commercial greenhouse assets located on the White Lake Property. The lease is for a ten-year period terminating on July 31, 2028. We are obligated to pay $1,000 rent per month as base rent for the term of the lease. Upon receipt of the hemp license in April of 2019, the rent increased to $2,000 per month. Upon commencement of cannabis operations from expanding the greenhouses, the gross rent payable under the lease increases to $3,000 per month for the term of the lease.

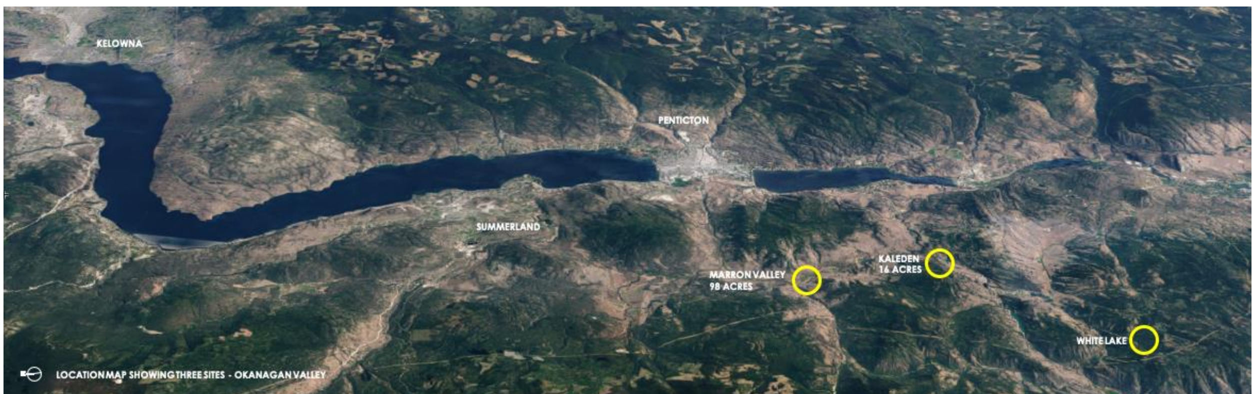
We received an industrial hemp license for the White Lake Property on April 5, 2019. Currently, we are developing plans to develop a nursery for hemp cultivation.

We intend to use this facility as a nursery and to research and develop strains of hemp high in CBD which we hope to be able to subsequently register with Health Canada as approved cultivars. We expect to commence growing our first industrial hemp nursery on the property in May of 2019.

(2) Marron Valley Property

On February 1, 2018, we entered into a binding letter of intent ("**LOI**") to execute a definitive agreement for a 49-year lease on 60 acres of a 98-acre agricultural property in Penticton, British Columbia, with a first right of refusal to lease the remaining 38 acres (the "**Marron Valley Property**"). We issued 105,000 shares and paid $15,000 at the time of signing of the LOI. We are obligated to issue an additional 105,000 shares as soon as the Company receives all legal approvals to conduct its business and pay a monthly lease of $10,000 at the time when we start commercial operations on the property. We anticipate the ratification of the lease under the Indigenous and Northern Affairs Canada ("**INAC**") will take approximately 20 months at which time we can start operations on this property. We received an industrial hemp license for the Marron Valley Property on April 5, 2019. Currently, we are developing plans to cultivate hemp outdoors on this property.

(3) Kaleden Property



On March 2, 2018, we acquired the 16-acre Kaleden property in British Columbia from an arm's length party. The purchase price was $879,000. We plan to build our first location as a licensed producer at this location (the "**Kaleden Property**"). We consider our Kaleden Property to be our main property.

At our Kaleden Property, we intend to build out the property to include:

- a 150,000 sq. ft. greenhouse facility to grow the cannabis:
    - Flowering area;
    - Vegetation area;

    - Strain and clone maintenance area;
- a 16,000 sq. ft. facility for lab testing, offices, a secure processing area, and a cannabis storage vault;
- an estimated Greenhouse yield of 80 grams per sq. ft. annually; and
- the capacity for successfully completing three to five cycles, annually.

(a) Our Kaleden Greenhouse(s)

Our greenhouse facility layout will include:

- flowering area (65% of growing area);
- vegetation area (25% of growing area); and
- strain and clone maintenance area (10% of growing area).

The processing area is designated for packaging and labeling the products for sale. It is expected that the recreational cannabis regulations will set out comprehensive packaging and labelling requirements that licensed processors would need to follow for classes of cannabis that are authorized for sale (dried cannabis, fresh cannabis, cannabis oil, plants and seeds). The building would include:

- administration, reception, security area;
- staff welfare area;
- clipping and curing room for the processing of and drying out of cannabis flowers;
- concentrate production area for CO2 and ethanol extraction systems;
- well-ventilated kitchen to finish concentrates and oils and produce cannabis-based nutrient products;
- packaging and shipping area for sending out orders (final stage of seed-to-sale process);
- laboratory to house mass spectrometry testing equipment and residual testing equipment;
- nutrient storage and water treatment room (restricted) (external building); and
- storage area including air-conditioned vault for the storage of yet to be sold product.

(b) Operational Security

The Cannabis Act requires production sites to be located indoors or in greenhouses - not in a private dwelling. Part 4 of the Cannabis Act sets out physical security requirements that are necessary to secure sites where licensed producers conduct activities with medical cannabis other than storage.

We intend to undertake a number of security measures not only to ensure the physical security of the premises and staff, but also to prevent infiltration by criminal groups seeking to traffic elicit materials. These security measures include:

- perimeter security by means of an intrusion detection system;
- closed circuit 24-hour video camera security monitoring of site and its perimeter;
- motion and fire detection for all interior rooms;
- sophisticated intrusion detection;
- access control readers for every room within the facility;
- internally segregated restricted areas with separate access control;
- all individuals working for the company require a clean criminal record; and

- all directors, officers and management personal will be subject to enhanced security clearance approval from Health Canada.

2.7 *Production*

We have secured a Head Grower with prior experience growing plants in a greenhouse setting and outdoors, as well as large scale operational management experience. This individual is highly-qualified and will be able to train our workforce for the necessary growing and production techniques to produce a high quality and consistent cannabis product.

In order to begin production of hemp and cannabis, we will need to obtain starting materials – namely, seeds and plant stock – from appropriate sources.

The latest regulations outline a limited number of approved sources and cultivators.

There are two potential legal sources of material that can be used for the cultivation of cannabis.

All initial seed stock or "seedlings" will be purchased from approved sources and verified by our quality control team.

2.8 *The Medical Cannabis Industry*

Legal sales of cannabis in Canada are relatively new. The first licensed producer was recognized in September of 2013. The industry can be separated into two separate markets: medical and recreational. Up until October 2018, the Canadian market for cannabis was solely been focused on medical cannabis. Recreational cannabis became legal in Canada on October 17, 2018. Canada was the second country in the world to recognize the medicinal benefits of cannabis when the federal government adopted *Marijuana Medical Access Regulations* ("**MMAR**") in 2001. Over the years, the MMAR has evolved as a result of court decisions and political policy changes.

On August 24, 2016, the federal government adopted the *Access to Cannabis for Medical Purposes Regulations* ("**ACMPR**") program to replace the *Marijuana for Medical Purposes Regulation* ("**MMPR**") program which was the June 2013 successor to the MMAR legislation. Under the ACMPR, a business that wishes to commercially produce and/or distribute medical cannabis must obtain a license to operate as a licensed producer.

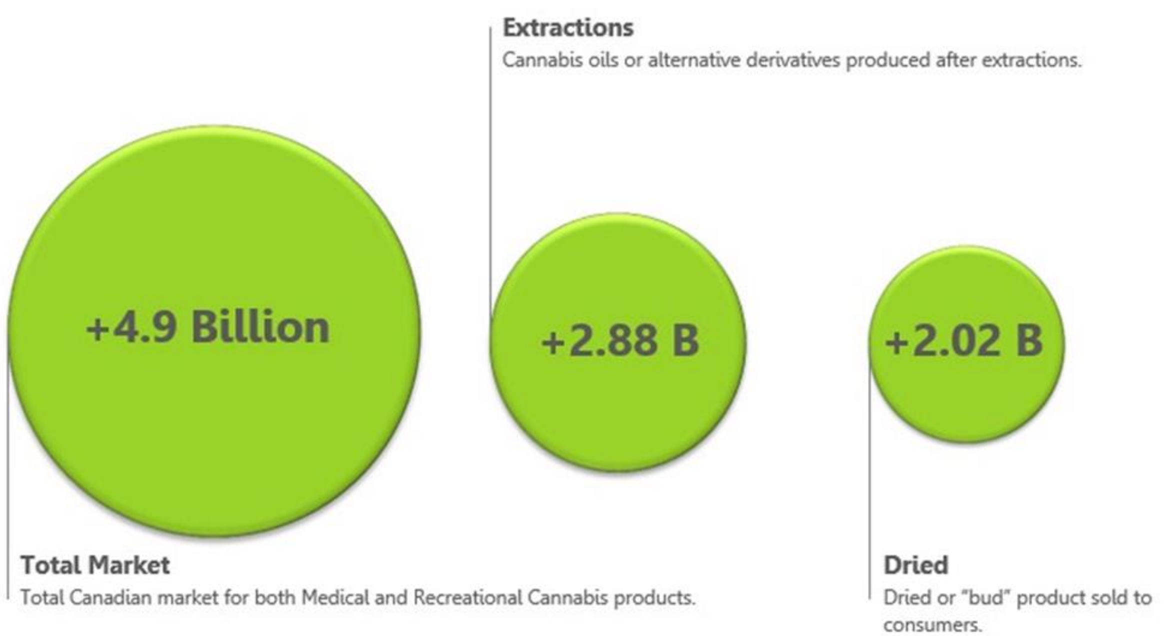
On October 17, 2018, the *Cannabis Act* came into force. On that date cannabis ceased to be regulated as a Schedule 2 drug under the *Controlled Drugs and Substances Act*. It instead is now regulated under the Cannabis Act, *Cannabis Regulations*, the new *Industrial Hemp Regulations*; *Qualifications for Designation as Analyst Regulations* (Cannabis); the *Cannabis Act (Police Enforcement) Regulations*, the *Cannabis Exemption (Food and Drugs Act) Regulations*, *Natural Health Products Regulations* and various provincial regulations. The ACMPR and the existing *Industrial Hemp Regulations* have been repealed. The sale of cannabis for both medical and recreational purposes became legal in Canada on October 17, 2018 forward. ***See Item 2.11 Government Regulation***.

(1) Industry Overview

In 2017, Canaccord Genuity estimated the combined recreational and medical markets in Canada could require 575 metric tons of cannabis by 2021. Other analysts have projected that by 2021, Canadians could consume anywhere between 403 and 1,190 metric tons of cannabis ($3.2 billion to $9.5 billion annually).[3]

Although the projected market size varies widely from analyst to analyst, what they all seem to agree on is that Canada will have - in the short-term - a supply crunch. As a result, Health Canada has pledged to speed up its approval process.

The following graphics illustrate the 2020 Canadian market for medical and recreational cannabis as projected by Health Canada:



3 Castaldo, Joe. McLean's Magazine (June 30, 2017), How big is Canada's marijuana market, really? https://www.macleans.ca/news/canada/how-big-is-canadas-marijuana-market-really/

2.9 *Green House Maximum Yields*

We estimate our Kaleden Property will have a Greenhouse yield of approximately 120 grams per sq. ft. annually. We believe we will have the capacity for successfully completing three to five cycles, annually.

2.10 *Cannabis Oil, Extraction, and Maximizing Yield*

(1) Cannabis Oils

Cannabis extraction refers to the process of separating cannabinoids and terpenes from the plant material, typically either via solvents (such as CO2 or hydrocarbon gasses) or commercial heat presses.

These cannabinoids and terpenes are collected and can either be packaged separately and sold as pure cannabis distillate, or re-homogenized and sold as hash oil.

At present, the *Cannabis Act* does not allow for concentrations above 3% THC to be sold directly to consumers. At this time, licensed producers can produce unlimited quantities of distillates provided they are diluted to this percentage before being sold directly to the consumer.

Both hash oil and distillate formulations have significant commercial applications, with distillate typically being sold wholesale to other value-added manufacturers (e.g., vapor pens, edibles, etc.) and hash oils making up a significant portion of retail cannabis sales at retailers in legal or pseudo-legal jurisdictions like California, Colorado, and British Columbia. Estimates of the range in size of the hash oil and distillate market vary, but anywhere from 40 to 65 per cent of retail cannabis sales in North America involve a concentrate product.

Given the legal status of hash oils in the initial phase of post-Cannabis Act legalization, we at Green Mountain intend to focus our immediate commercial extraction efforts on distillates, which can be sold to other licensed producers - either medical or recreational - for making lower-concentration oils.

We believe that, despite this artificially-constrained market, there is enormous value in using extraction technology to maximize cannabinoid yield by processing low-end or cannabis biomatter (commonly called ‘trim’) into medical-grade product. By having the ability to process this material, we can further enhance the per-square-foot yield on our production facilities.

Since cannabis distillates also have a relatively long shelf life, we are considering storing this distillate until after the recreational hash oil regulatory regime is fully fleshed out. By processing this biomass into distillate, we will not only enhance our own yield, but also leverage the availability of this distillate into a more agile relationship with the cannabinoid commodity markets. This will ensure that we retain the ability to get the best price possible for our bulk cannabinoids.

(2) Build Assumptions

(a) Our Green Houses

We expect to complete three to five grow cycles annually in our green house facilities with an estimated greenhouse yield of 80 grams per sq. ft. annually. This is based on a low cost (capital and operating), small environmental footprint, and large wholesale model. These goals were the guiding factors to determine grow strategy and our greenhouse facility design.

We intend to use natural sunlight and grow seasonally in our greenhouses to achieve our goals of being cost efficient and having a low environmental footprint. Being situated in the Okanagan Valley, the climate is ideal for growing cannabis and gives a large opportunity to grow under the sun, while having greenhouse automated climate control.

We anticipate our grow season will be approximately from April 1st to October 1st. The greenhouse facility will be used for flowering cycles only. This means that the photoperiod will be controlled using light deprivation and the greenhouses will see only 12 hours of light daily. Flower cycles will consist of about 55 days and there will be 3-5 cycles grown annually.

(b) Extraction Lab

Cannabis extraction labs are typically custom-built setups that are designed specifically for the needs of the client. We have sought vendor quotes based on the following requirements:

- an extraction machine with a large capacity and quick turn-around time.
- a vendor-provided option for a full lab build-out - including supporting machinery (e.g. rotavapor, vacuum ovens, etc.)
- consistent product output - all batches must be identical.
- low operating cost - including training, operating, maintenance, and input costs, etc.
- 24/7 run-time so that our anticipated night shift can operate the unit continuously.
- the ability to reconfigure the cannabis extraction lab in the future to meet shifting consumer demand (e.g., ability to process hash oil formulations in addition to pure distillates).

We at Green Mountain have sought bids from technology providers based on these criteria and have identified high-volume CO2 extraction as the technology that is most suitable to meet our needs.

Based on the current terms being negotiated, we anticipate our extraction lab will perform as follows*:

- Run Capacity: 20kg biomass input.
- Daily Capacity: 100kg; five 4-hour runs per day.
- Approximate THC yield: 10% (estimated)[4].
- Approximate terpene yield: 1-2%.
- Estimated Daily Output: 10,000 grams THC; 1,000 – 2,000 grams terpene oil.

* all figures approximate/estimated

We base our profit estimates on wholesale THC distillate prices in mature markets like Washington and Colorado rather than existing Canadian markets. On that basis, we are projecting a conservative $10 / gram distillate price over the next two years, though this will fluctuate depending on market conditions.

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4 Green Mountain bases this estimate on the advice of consultation with industry experts. Please refer to Eden Labs' report: https://blog.edenlabs.com/the-most-common-questions-on-co2-extraction-yield

Based on that model, our proposed extraction lab will produce $100,000 worth of THC distillate per day. When accounting for the low, vertically-integrated input costs of the biomass, this will make the extraction lab a significant profit center for us.

(3) Medical Cannabis

Health Canada estimates that, as of December 31, 2018, approximately 359,292 patients in Canada used doctor-prescribed medical cannabis through the Cannabis Act.[5] By 2024, Health Canada estimates that the number of patients using medical cannabis will grow to 450,000, creating a market worth an estimated $1.3 billion.[5]

(4) Recreational Cannabis

Statistics Canada estimates Canadian adults spent $5.7 billion on cannabis in 2017 — 90 percent of it for illegal, non-medical purposes.[6] The potential size of the recreational cannabis market in 2019 is estimated by Deloitte to be anywhere from $1.81 billion to $4.34 billion.[7] A report by the Fraser Institute in B.C. estimates the total cannabis market in British Columbia, alone, will grow to be $7 billion.[8]

A large number of the licensed producers for medical cannabis applied to amend their license to include recreational cannabis after the October 17, 2019 rule change.

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5 https://www.canada.ca/en/health-canada/services/drugs-medication/cannabis/research-data/medical-purpose.html

6 https://www150.statcan.gc.ca/n1/pub/13-610-x/13-610-x2018001-eng.htm

7 Deloitte, 2018 Cannabis Report; https://www2.deloitte.com/content/dam/Deloitte/ca/Documents/consulting/ca-cannabis-2018-report-en.PDF

8 https://www.fraserinstitute.org/sites/default/files/MarijuanaGrowthinBC.pdf

(5) Customers

A holder of a license for micro-cultivation or standard cultivation whose license authorizes the sale of cannabis is authorized to conduct the following activities:

(a) to sell and distribute dried cannabis, fresh cannabis, cannabis plants and cannabis plant seeds to any of the following:
- a holder of a license for micro-cultivation or standard cultivation,
- a holder of a license for processing,
- a holder of a license for analytical testing,
- a holder of a license for research,
- a holder of a cannabis drug license,
- the Minister,
- a person to which an exemption has been granted under the Cannabis Act in relation to the cannabis or class of cannabis that is sold or distributed; or
- the individuals who are holders of license for micro-cultivation or standard cultivation,

(b) to sell and distribute cannabis plants and cannabis plant seeds to a holder of a license for a nursery;

(c) to sell and distribute cannabis plants and cannabis plant seeds, that are cannabis products, to
- a holder of a license for sale, or
- a person authorized to sell cannabis under a provincial cannabis legislation; and

(d) to send and deliver cannabis plants and cannabis plant seeds, that are cannabis products, to the purchaser of the products at the request of
- a person authorized to sell cannabis under a provincial cannabis legislation, or
- a holder of a license for sale.

There is no limit imposed by the Cannabis Act on the strains that may be produced or the pricing of cannabis products.

We expect to sell our medical cannabis product to dispensaries, manufacturers of edible products, and testing facilities. We do not plan on any direct to consumer sales. Provincial regulators are in charge of how sales of recreational cannabis will be handled.

Government owned corporate entities in the province of Newfoundland, Nova Scotia, Prince Edward Island, Ontario, Quebec and the Yukon will handle all sales of recreational cannabis. In Alberta, British Columbia, and the Northwest Territories government owned corporate entities will be responsible for all wholesale sales of recreational cannabis. In these provinces, the only customer for a licensed producer is the government.

A mix of government owned and private retail cannabis stores will be allowed in Alberta, British Columbia, Manitoba and the Northwest Territories. Manitoba has selected four companies to date to sell recreational cannabis.

The private sector will be responsible for the distribution and retail sale of recreational cannabis in Saskatchewan. Permitted wholesalers can sell to permitted retailers and other permitted wholesalers registered in Saskatchewan. The 51 cannabis retail permits issued in Saskatchewan were allotted by lottery.

Alberta has entered into a supply contracts with ABcann, Aphria Inc., Aurora Cannabis Inc., Canopy Growth Corporation, Emblem, Maricann, MedReleaf, Organigram Holdings Inc., Supreme Cannabis Company, Inc. (7Acres), WeedMD, and UP Cannabis. Manitoba has entered into a supply contracts with Canopy Growth Corporation, Delta 9 Organigram Holdings Inc. and Supreme Cannabis Company, Inc. (7Acres) Newfoundland has entered into a supply contract with Canopy Growth Corporation. New Brunswick has entered into supply contracts with Canopy Growth Corporation; Organigram Holdings Inc.; Zenabis Ltd.; and Nuuver Inc. Prince Edward Island has entered into a supply agreement with Canada's Island Garden, Canopy Growth Corporation; and Organigram Holdings Inc. Quebec has entered into supply contracts with Aphira Inc., Aurora, Canopy Growth Corporation, Hydropothecary Corp, MedReleaf Corp. and Tilray Inc. The Yukon has entered into a supply agreement with High Park, a subsidiary of Tilray Inc.

On July 11, 2018, the British Columbia Liquor Distribution Branch announced it had entered into thirty-one (31) non-binding initial supply contacts with licensed producers: Acreage Pharms Ltd.; Agrima Botanicals Corporation; Aphria Inc.; Aurora Cannabis Enterprises Inc.; Beleave Kannabis Corp.; Bloomera Inc.; Broken Coast Cannabis Ltd.; Canna Farms Ltd.; CannTrust Inc.; Canopy Growth Corporation; Cronos Group Inc.; DOJA Cannabis Ltd.; Evergreen Medicinal Supply Inc.; Experion Biotechnologies Inc.; Hydropothecary; Maricann Inc.; MedReleaf Corp.; Natural Med Company; Redecan Pharm; Solace Health; Starseed Medicinal Inc.; THC BioMed Inc.; The Flowr Corporation; The Supreme Cannabis Company/7 Acres; Tilray Canada Ltd.; United Greeneries Ltd.; UP Cannabis Inc.; WeGrow BC Ltd.; WeedMD RX Inc.; Whistler Medical Marijuana Corp.; Zenabis Ltd. The British Columbia Liquor Distribution Branch is not expected to enter into any further supply contracts until after October 17, 2018.

On August 20, 2018, the Ontario Cannabis Store announced it has entered into twenty-six (26) non-binding initial supply contracts with licensed producers: 7Acres/The Supreme Cannabis Company; AgMedica Bioscience Inc.; Aphria Inc.; Aurora Cannabis Enterprises Inc.; Beleave Kannabis Corp.; Broken Cannabis Coast Ltd.; CannTrust Inc.; Canopy Growth Corporation; Emblem Cannabis Corporation; HEXO Operations Inc.; Hiku Brands Company Ltd.; Maricann Inc.; MedReleaf Corp.; Natural MedCo Ltd.; Northern Green Canada Inc.; Organigram Inc.; Peace Naturals Project Inc.; Radicle Medical Marijuana Inc.; RedeCan Pharm; Solace Health Inc.; Starseed Medicinal Inc.; THC BioMed Ltd.; The Flowr Group Okanagan Inc.; Tilray Canada Ltd.; Up Cannabis Inc.; and VIVO Cannabis Inc. On September 26, 2018, the Ontario government introduced its proposed licensing and regulation bill governing the province's private cannabis retail marketplace. It is anticipated that private retail sales of recreational cannabis will open in April 2019. Currently, the bill limits licensed producers to one retail store in the province.

We expect that as the industry evolves the ability to enter into supply contracts directly with these provincial government corporate entities will expand or that we will be able to enter into supply contracts with entities who have supply contacts with these provincial government entities.

2.11 *Government Regulation*

At this time 100% of our intended operations are in Canada and more specifically in British Columbia. This section summarizes the regulatory framework under which our business operates.

(1) Federal Regulatory Environment

The cultivation, distribution, and sale of cannabis is currently governed in Canada under *the Federal Controlled Drugs and Substances Act*, ("**CDSA**"). the *Narcotics Controls Regulations*, the *Access to Cannabis for Medical Purposes Regulations* ("**ACMPR**") and the *Industrial Hemp Regulations*.

(a) The Cannabis Act and Cannabis Regulations

The cultivation, processing, sale and research of cannabis and hemp is regulated by:

- The *Cannabis Act*;
- The *Cannabis Regulations* (the "**Regulations**");
- The new *Industrial Hemp Regulations;*
- The *Qualification for Designation as Analyst Regulations (Cannabis);* and
- The *Cannabis Act (Police Enforcement) Regulations*.

The Cannabis Act and Regulations creates six classes of licenses (cultivation; processing; analytical testing, sale, research and cannabis drug licenses) and several sub-licenses. License holders may hold more than one license. The Regulations only outline the rights of a license to grow, distribute and sell cannabis for medical purposes. Recreational sales of cannabis are not addressed in the Regulations and are instead the domain of Provincial regulators.

Under the Cannabis Act and Regulations holders may apply for the following licenses and sublicenses:

License Class	Possible Subclass (if conditions of Regs met)
License for cultivation	License for standard cultivation License for micro-cultivation License for a nursery
License for processing	License for standard processing License for micro-processing
License for sale	License for sale for medical purposes
License for research	n/a
License for analytical testing	n/a
License for processing	License for standard processing License for micro-processing
License for processing	License for standard processing License for micro-processing
Cannabis drug license	n/a
License for research	n/a

Health Canada processes license applications, amendments and renewals and monthly required reports under the Cannabis Act and Regulations through its Cannabis Tracking and Licensing System (the "**CTLS**"). Once an application is submitted it goes through the following steps:

1. **Application screening**

   Health Canada screens the application and documents submitted for completeness, legibility and ability to be further assessed. Health Canada endeavors to complete the screening of the application within 30 days from submission. Health Canada in conjunction with the RCMP starts the security clearance of the application.

2. **Review and security clearance**

   Assuming the application has passed the screening stage, and security clearance applications are being processed, the application will undergo a detailed review to verify that the requirements are met. Security clearance is completed.

3. **Pre-licensing and approval process**

   Health Canada will provide an applicant with a confirmation of readiness email once it completes the detailed review of the submitted application. At this time the applicant is required to provide information to evidence that there is a functioning facility/building at the site address. This "site evidence package" includes, but not limited to, detailed video walkthroughs of both the interior and exterior of the site, and site and building plans including descriptions and photographs that clearly detail facility completion. Each site evidence package may vary depending on the license type an applicant is seeking to obtain.

Following the review of this information, Health Canada may conduct an on-site pre-license inspection or waive this requirement based on the thoroughness of information found in the site evidence package.

4. **Issuance of license**

Health Canada will issue an initial license once it is satisfied that all documentation is in order, the pre-license inspection – if required - was satisfactory and all security clearances have been granted. The initial license will detail any conditions around the issued license. All security-cleared key personnel will also receive letters regarding the status of their security clearances for that site, under that application. Health Canada will also hold a teleconference with the new license holder to discuss the license, including any conditions.

A license holders first licensed activities may be limited, particularly prior to being authorized to conduct the activity of sale for medical purposes. This graduated licensing is for the purpose of verifying that cannabis products intended for sale meet all the quality standards set out under the Cannabis Act.

Applicants are required to obtain security clearances for:

- any "responsible person", "head of security", “master grower", "quality assurance person", or alternates for these positions;
- any partners of a partnership that hold a license;
- any individuals who exercise - or are in a position to exercise - direct control over a corporate or cooperative license holder, including all:
  - directors and officers of the individual, if a corporation;
  - partners of the individual, if a partnership; and,
  - directors and officers of the individual if it is a corporate partner in a partnership.

Licensees are required to report on an annual basis information about key investors (an investor who directly or indirectly can exercise control over the licensee) including: a description of the means by which a Key Investor exercises, or is in a position to exercise, control; details of the transaction by virtue of which the Key Investor became such an investor; details about the benefits the Key Investor receives by virtue of their position; and details about instances where money was paid by or returned to Key Investors.

(2) Provincial Regulatory Environment

Medical cannabis is currently sold online by federally licensed producers only. This did not change on October 17, 2018. Users of medical cannabis, of course, may elect to purchase cannabis from retailers of non-medical cannabis. The Federal government intends to review the medical cannabis system in five years to determine if the introduction of retail cannabis sales has had an impact of the demand for medical cannabis.

We intend to review on a province by province basis our opportunity and regulatory compliance obligations in the recreational cannabis sector after first obtaining a license to produce medical cannabis. The provincial regulations surrounding recreational cannabis and are new and evolving.

On May 31, 2018, in our home province, the Government of British Columbia passed the *Cannabis Control and Licensing Act*, (British Columbia), the *Cannabis Distribution Act* (British Columbia) and issued the *Private Retail Licensing Guide* to regulate the recreational cannabis industry in the province, The Province's Liquor Distribution Branch will be only wholesale distributor of recreational cannabis and will operate cannabis retail stores. They will also be responsible for licensing non-medical cannabis private stores and monitoring this sector.

We are not aware of any industrial hemp specific provincial regulations.

(3) Municipal Regulatory Environment

Municipalities and indigenous communities are all stakeholders and have their own set of regulations and bylaws that apply to businesses operating within their boundaries. Requirements and restrictions included in the licensing process for recreational cannabis production and sales could include:

- Limitations on locations (i.e., operate only in commercial zones, at least 300 m from schools, community centers, neighborhood houses, youth facilities and other marijuana-related businesses);
- Planning considerations for cannabis operations, which contemplate the input of municipality on location, siting requirements, parking, etc.;
- Requirements for public engagement regarding cannabis operations;
- Building, by-law, and enforcement considerations for cannabis operations;
- Require both a community notification process and a signed good neighbor agreement;
- Rigorous fee structures for obtaining a license (e.g. in Vancouver the license fee for compassion clubs is $1,000 and $30,000 for medical marijuana-related retail dealers.

2.12 *Competition*

As of April 29, 2019, there were 175 licensed cultivators, processors and sellers ("**licensed producers**") (a producer may hold more than one license) in Canada, all of which are either producing or intending to produce cannabis. Thirty-nine of these licensed producers are in British Columbia. We estimate that there are over 500 applications currently under consideration by Health Canada with more expected in the future. We anticipate that there will be 200-300 licensed producers operating by the time we receive our Cannabis License approval. The list of currently-licensed producers is available on the Health Canada website at:

https://www.canada.ca/en/health-canada/services/drugs-health-products/medical-use-marijuana/licensed-producers/authorized-licensed-producers-medical-purposes.html

As of May 25, 2017, Health Canada reported it had received 1,665 applications. 265 of those applications have been refused, 428 applications are in progress, 69 have been withdrawn, and 858 were incomplete or have been returned. It is estimated that three applicants are rejected for every one applicant who is successful in obtaining a license.

Many of the licensed producers of cannabis are also licensed or intend to obtain a license under the Industrial Hemp Act. We expect we will also face competition from parties who are focused only on the industrial hemp industry.

2.13 *Marketing Plan and Strategy*

(1) Medical Cannabis General

Licensed producers are allowed to promote their medical cannabis products to doctors directly and indirectly through various outreach programs and through the attendance at conferences.

Marketing recreational cannabis under the *Cannabis Act* is restrictive. The rules require plain packaging, with strict controls over how and where the product is displayed for sale. The legislation permits information-type promotion. Licensed producers can inform the public about their cannabis products (ingredients, THC and CBD levels, etc.) and tell them the difference between brands. All of these types of promotions are only allowed where they cannot be seen by youths. The Cannabis Act includes restrictions on several types of promotional activities such as:

- Promotion considered appealing to youth;
- Promotion that includes false, misleading, or deceptive information;
- Promotion through sponsorship, testimonials, or endorsements; and
- Promotion using the depictions of persons, celebrities, characters, or animals.

(2) Our Marketing Strategy

We intend to allocate minimal resources as a percentage of revenue to sales and marketing, and we will differentiate the various market segments and develop a sales mix to maximize revenues in profitable market segments. We believe using these resources, we will also provide a comprehensive and attractive sales process to include: the sale of recognized varietal strains of cannabis and hemp which are recognized as having the right concentrations of CBD, THC, and other substances for medical purposes. As a part of this customer service, we will demand the highest standards of consistent quality and oversee the employment of in-house and external "ambassadors" to promote the use of hemp and medical cannabis and our products, the development of extracts, tinctures, and the manufacture and production of infused products, and new product development. We will also add revenues through the sale of clones.

2.14 *Social Responsibility and Community Involvement*

(1) Overview

Social responsibility and community involvement are key cornerstones to our future success.

We are committed to operating in a sustainable manner that involves engaging with the communities involved with or affected by our business activities. It is our goal to operate in a manner that:

- ensures our greenhouse facilities operate safely every day and our workforce is supported;
- involves the Indigenous communities who we lease our land from and work with them to develop better project plans and create long-term opportunities and economic benefits in their communities; and
- minimizes our environmental footprint on the land and our emissions of greenhouse gases.

At all times we strive to demonstrate our respect for local cultural and environmental values.

(2) Workforce

A key element of our social responsibility is our Basic Code on Working Conditions Policy.[9] The Basic Code is a globally accepted framework that outlines an organization's commitment to eliminating practices that infringe upon human rights and provides guidelines to organizations on social policy and inclusive, responsible and sustainable workplace practices.

We intend to put a strong focus on wellness of our workforce, especially mental health and work-life balance. Diversity and inclusion are also priorities.

Tailored for our organization the Basic Code requires that we:

- foster an employee environment of opportunity and mutual respect;
- ensure our employees are free to work without intimidation, harassment or undue influence;
- remain committed to the continuous improvement of workplace health and safety;
- abide by or exceed all applicable environmental laws; and
- seek suppliers who agree to commit to the same principals in an effort to ensure adequate working conditions across our supply-chain.

(3) Community Involvement

(a) Training and Education

We intend to hire Indigenous members and train those individuals to operate at all levels in our greenhouse facilities.

In the future, we would like to establish a recognized training program and facility to train members from Indigenous groups around the country interested in operating a licensed producer production facility on their land either in conjunction with Green Mountain or as a stand-alone operation. We believe once trained these workers will be in high demand by other employers involved in the medicinal and recreational cannabis industry.

We would also like to encourage young people in the communities we operate to complete high school by providing role models from our workforce, internships, mentorships and other support. These activities would be undertaken after consultation with the community leaders and their direction as to where we might have the greatest impact.

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9 The Basic Code on Working Conditions Policy is derived from The ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy. Although we are not a multinational organization we want to hold ourselves and our organization to the highest standard. We have also taken inspiration from the United Nations Declaration of Human Rights and the OECD Guidelines for Multinational Enterprises which also set out recommendations for responsible business conduct.

(b) Community Support

We intend to encourage our management and workforce to support the communities in which we operate through direct involvement in the community activities. At the moment we are looking at the feasibility of providing each member of our workforce with a certain number of hours of paid volunteer time each year. We also are looking at corporate grant funding, matching donation programs and strategic partnerships to increase our impact in the community. These various efforts will be undertaken after consultation with the community to ensure that we are working with them to advance their goals and not solely our vision.

(c) Community Health

Not only do we intend to put a strong focus on wellness of our workforce we want to extend that focus to the overall health of the community. There are a number of resources free and paid that go unused because people are not aware that they exist.[10] We intend to engage with the communities in which we operate to determine what they consider their immediate and long-term needs in this area and how they believe we can assist them with these needs. A healthy community creates a healthy work environment.

(4) Sustainability and the Environment

(a) Energy management

We have spent a considerable amount of time researching the various greenhouse facilities and weighing their positives and negatives. We want to continually improve our energy efficiency as a greenhouse operator, we believe this not only benefits the environment but that it will also provide us with cost advantages.

We intend to reduce our energy consumption by optimizing use of natural light, natural cooling and heating building design, and the use of automated and efficient climate control solutions.

(b) Water Management

Greenhouse operations traditionally have used a lot of water; potable water. We believe in the sustainable management of the water resources we use across our operations. We intend to track our annual water use, our water-related risks, and governance of our water. We want to increase our understanding of our water use, its impact on our business, and on the communities where we operate.

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10 If you are interested, we would be happy to share from our business plan Appendix 6: Mental Health in the Workforce for an example of some of these free resources.

Over time, we hope to be able to set meaningful goals to improve our water efficiency and advance innovative solutions to water challenges in the cannabis industry.

(c) Circular Economy and Waste Reduction

We intend to work towards reducing our overall impact and overall waste year after year. Our long-term goal is to divert significant operational waste from landfills.

2.15 *Corporate Governance*

It is one of our goals to operate in a manner that is ethical, honest and transparent at all levels; including in our engagement with our shareholders. We intend to do this with the guidance of the right oversight of policies and governance practices and regular open communication with our shareholders and all our stakeholders about our business activities.

2.16 *Development of Business*

On February 26, 2018, we submitted our ACMPR application to Health Canada to license our Kaleden property. We were issued an application number on March 19, 2018.

On March 2, 2018, Green Mountain purchased a 16-acre agricultural property in Kaleden, British Columbia. The purchase price was $879,000.

On February 1, 2018, we entered into a binding letter of intent ("**Lease LOI**") to execute a definitive agreement for a 49-year lease on 60 acres of a 98-acre agricultural property in Penticton, British Columbia with a first right of refusal to lease the remaining 38 acres. We issued 105,000 shares and paid $15,000 at the time of signing of the Lease LOI. We are obligated to issue an additional 105,000 shares as soon as the Company receives all legal approvals to conduct its business and pay a monthly lease of $10,000 at the time when we start commercial operations on the property. We anticipate the ratification of the lease under the Indigenous and Northern Affairs Canada ("**INAC**") will take approximately 10 months.

We have benefited from various elements necessary to launch our proposed business which our founders put into place prior to incorporation. The key element was a team of hired experts and advisors familiar with the ACMPR licensed producer application process.

We have detailed plans in place for our proposed greenhouse. We have confirmed with various government offices and private utilities that we will have the permits to build and access the necessary power and water to activate our business.

2.17 *Long Term Objectives*

Our long-term business objectives are to:

- achieve commercial distribution of medical and recreational marijuana;
- establish a training program that can be replicated across Canada and gainfully employ Indigenous peoples in the cannabis industry; and
- to engage in ongoing research and development of cannabis derivative products.

2.18 *Short Term Objectives and How We Intend to Achieve Them*

(1) Disclose the issuer's objectives for the next 12 months.

Our short-term business objectives for the next 12 to 24 months are:

- Obtain status as a licensed producer of medical cannabis;
- Start production as a licensed grower of industrial hemp;
- Cultivate and grow our product; and
- Complete our first harvest and begin sales.

(2) How we plan to meet our objectives.

What we must do and how we will do it	Target completion date or, if not known, number of months to complete	Our cost to complete
Prepare application to Health Canada for recognition as a licensed producer.	Completed – Aug. 2017 to March 2018	$ 139,500
Prepare reports for INAC to green light leasing property and operating business on First Nations land.	In progress	$ 43,500
Submit application to Health Canada for recognition as a licensed producer.	Completed - March 2018	$ 119,375
Purchase Kaleden Property	Completed - March 2018	$ 879,000[1]
Begin property improvements (see below)	In progress	$ 382,000
Complete screening from Health Canada	Approximately 12 months	$ TBD [2]
Build 15,000 sq. feet greenhouse	May 2019	$ 375,000
Build 16,000 sq. feet concrete building	Fall of 2019	$ 3,000,000
Processing equipment	Approximately 6 months	$ 650,000
Build 135,000 sq. feet greenhouse	Spring 2020	$ 8,800,000
Complete final inspection for license approval	Approximately 10 months	$ TBD [2]
Receive licensed producer approval	Approximately 12 months	$ TBD [2]
Greener Life Medical - patient services business	Approximately 6 months	$ 77,500
Hemp – research and development project	Approximately 12 months	$ 134,000
Commence cultivation plan	May 2019 – Hemp 8-12 Months after Build complete - Cannabis	$ TBD [2]

What we must do and how we will do it	Target completion date or, if not known, number of months to complete	Our cost to complete
Complete first harvest and generate initial revenue	Fall 2019 8-12 Months after Build complete and planting process started - Cannabis	$ TBD (2)

Notes:

1. We paid $424,000 in cash and secured a mortgage of $455,000 to cover the total purchase price of $879,000 for the Kaleden Property. The mortgage was paid in full on maturity on March 2, 2019.
2. We are unable to estimate certain costs at this date. Once we receive pre-licensing approval from Health Canada we will be in a better position to estimate these various amounts.

2.19 *Insufficient Funds*

The funds raised in this offering will not be sufficient to accomplish all of our proposed objectives. There is no assurance that alternative financing will be available.

2.20 *Material Agreements - Disclose the key terms of all material agreements*

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by Green Mountain since its date of incorporation to the date of this Offering Memorandum.

(1) Asset Purchase and Sale Agreement

On January 25, 2019, we entered into an asset purchase and sale agreement with 1194371 B.C. Ltd. a company wholly-owned by Ashley Stanfield. Under the terms of the agreement we acquired commercial greenhouse assets located on the leased White Lake Property for a total consideration of $1,000,000. The consideration was paid by a cash consideration of $150,000 and the issuance of 1,700,000 common shares of the Green Mountain with a deemed value of $850,000.

(2) Lease Agreement – Kruger Family

On February 1, 2018, we entered into a binding letter of intent with Maurice Kruger and Sylvia Kruger ("**Lease LOI**") to execute a definitive agreement for a 49-year lease on 60 acres of a 98-acre agricultural property in Penticton, British Columbia with a first right of refusal to lease the remaining 38 acres. We issued 105,000 shares and paid $15,000 at the time of signing of the Lease LOI. We are obligated to issue an additional 105,000 shares as soon as we receive all legal approvals to conduct its business and pay a monthly lease of $10,000 at the time when we start commercial operations on the property. We anticipate the ratification of the lease under the Indigenous and Northern Affairs Canada ("**INAC**") will take approximately an additional 10 months.

(3) Lease Agreement – White Lake Property

We entered into a lease agreement for the White Lake Property on close of the asset purchase and sale agreement acquiring the commercial greenhouse assets located on the White Lake Property. The lease is for a ten-year period terminating on July 31, 2028. We are obligated to pay $1,000 rent per month as base rent for the term of the lease. On receipt of hemp license, which we received in April 2019, the rent increased to $2,000 per month. Upon commencement of cannabis operations from expanding the greenhouses, the gross rent payable under the lease increases to $3,000 per month for the term of the lease.

(4) Heads of Agreement – Proposed Lease-Back Transaction

On February 8, 2019, we entered into a heads of agreement with KannaReit Inc. ("**KannaReit**"), a Manitoba incorporated company ("**Heads of Agreement**"). The Heads of Agreement sets out the general terms and conditions upon which the parties will proceed to negotiate a formal definitive agreement whereby we will enter into a sale-leaseback transaction of our Kaleden Property (the "**Lease-Back Transaction**"). The Lease-Back Transaction would require the KannaReit to finance and complete the build-out of the Kaleden Property, and in return we would enter into a long-term lease agreement. There is no guarantee we will be successful in closing the Lease-Back Transaction.

(5) Mortgage – Kaleden Property

Our property in Kaleden, British Columbia was subject to a mortgage with an aggregate principal balance of approximately $455,000. The mortgage was payable in monthly aggregate installments of approximately $4,119 (including principal and interest). The maturity date of the mortgage was March 2, 2019. The mortgage was paid in full on the maturity date.

Copies of the above material contracts can be inspected at our head office at 465 Ellis Street, Penticton, BC V2A 4M1 during regular business hours.

(6) Related Party Transactions

The following table outlines all payments to related parties for the year ended December 31, 2018:

Payee	Related Party	Nature of Transaction	December 31, 2018 $
Wade Attwood	President, Director	Compensation including fee and share-based payments	149,264
Koios Corporate Financial Services Ltd.	Company controlled by Salil Dhaumya, CFO, Director	Fees	33,000
Salil Dhaumya	CFO, Director	Share-based payments	108,155
John King	Director	Compensation including fee and share-based payments	69,155

Payee	Related Party	Nature of Transaction	December 31, 2018 $
David Chartrand	Director	Share-based payments	68,537
Marisa Cornacchia	Chief Clinical Affairs Officer	Compensation including consulting fee and share-based payments	126,068
Dave Coolidge		Compensation including consulting fee and share-based payments	102,155
Steiner & Ruks Enterprises Co. Inc.	Company controlled by Alison Ruks, Senior Vice President	Compensation including fee and share-based payments	89,986

As at December 31, 2018, $18,869 (December 31, 2017 - $nil) in total is owing to officers and directors or to companies owned by officers and directors of the Company for services and expenses. These amounts owing have been included in accounts payable and accrued liabilities.

Related party balances are due on demand, bear no interest and are unsecured.

Transactions with related parties were in the normal course of business and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Item 3: Interests of Directors, Management, Promoters and Principal Holders

3.1 *Compensation and Securities Held*

The following table provides the specified information about our directors and officers and each person who, directly or indirectly, beneficially owns or controls, or who will own or control following the maximum offering, 10% or more of any class of voting securities of Green Mountain.

Name and municipality of principal residence	Positions held (e.g., director, officer, promoter and/or principal holder) and the date of obtaining that position	Compensation paid by issuer or related party in the most recently completed financial year and the compensation anticipated to be paid in the current financial year	Number, type and percentage of securities of the issuer held after completion of min. offering (1)(2)(4)	Number, type and percentage of securities of the issuer held after completion of max. offering (1)(3)
Wade Attwood (4)	President, Director, & Co-Founder	$18,000 (2017) $41,109 (2018) (5) $39,600 (2019)	4,850,000/11.70%	4,850,000/11.57%

Name and municipality of principal residence	Positions held (e.g., director, officer, promoter and/or principal holder) and the date of obtaining that position	Compensation paid by issuer or related party in the most recently completed financial year and the compensation anticipated to be paid in the current financial year	Number, type and percentage of securities of the issuer held after completion of min. offering (1)(2)(4)	Number, type and percentage of securities of the issuer held after completion of max. offering (1)(3)
Salil Dhaumya (4)	Treasurer, CFO, Corporate Secretary, Director, & Co-Founder	$18,000 (2017) $33,000 (2018) (6) $37,200 (2019)	2,850,000/6.87%	2,850,000/6.80%
Dave Coolidge (4)	Co-Founder & Vice President Business Development	$18,000 (2017) $39,000 (2018) $59,300 (2019)	2,700,000/6.51%	2,700,000/6.44%
Tares Dhara (7)	Co-Founder & Control Person of Green Mtn.	0	3,940,000/9.50%	3,940,000/9.40%
John King (4)	Director	0	0/0%	0/0%
Dr. David Chartrand (8)	Director	0	0/0%	0/0%
Marisa Cornacchia (9)	Chief Clinical Affairs Officer	$57,531 (2018) $90,000 (2019)	0/0%	0/0%
Alison Ruks (10)	Senior Vice President	$72,486 (2018) $90,000 (2019)	25,000/0.06%	25,000/0.06%

Notes:

(1) Directly or indirectly.
(2) Based on 41,477,168 shares issued and outstanding.
(3) Based on 41,927,168 shares issued and outstanding.
(4) In addition, holds 500,000 stock options exercisable at $0.10 per share. The options vest over a 2-year period, 20% on the grant date and 20% every six months after.
(5) Mr. Attwood also received 150,000 shares at a fair value of $45,000 as share based compensation in 2018.
(6) Mr. Dhaumya also received 150,000 shares at a fair value of $45,000 as share based compensation in 2018.
(7) 3,240,000 common shares are held indirectly through 1069993 B.C. Ltd. a holding company owned by Mr. Dhara and Mr. Coolidge.
(8) In addition, holds 500,000 stock options exercisable at $0.30 per share. The options vest over a 2-year period, 20% on the grant date and 20% every six months after.
(9) Holds 500,000 stock options exercisable at $0.30 per share. The options vest over a 2-year period, 20% on the grant date and 20% every six months after. Ms. Cornacchia may receive up to 500,000 shares of Green Mountain as performance shares if certain agreed milestone goals are met pursuant to the consulting agreement entered into between Green Mountain and Ms. Cornacchia.
(10) Ms. Ruks was appointed Senior Vice-President on April 23, 2018. On June 1, 2018, we entered into a consulting agreement with Steiner & Ruks Enterprises Co. Inc., a company controlled by Ms. Ruks. Under the terms of this agreement we are

obliged to pay $7,500 per month. $5,000 of this amount is to be paid in cash and $2,500 is to be paid in common shares of Green Mountain at a deemed price of $0.50 per share. She also holds 200,000 stock options exercisable at $0.50 per share. The options vest over a 5-year period, 20% on the grant date and 20% every six months after. Effective January 1, 2019, Green Mountain and Ms. Ruks entered into a new employment agreement, under which Ms. Ruks receives a salary of $7,500 per month. Ms. Ruks under the terms of the agreement was also granted 200,000 performance-based shares and 300,000 stock options exercisable at $0.50 per share. The options vest over a 5-year period, 20% on the grant date and 20% every six months after. The options are subject to board approval.

3.2 *Management Experience*

(1) Directors and Officers

The name and principal occupation of the current directors and officers of Green Mountain are as follows:

Name	Principal occupation and related experience
Dr. David Chartrand 	Dr. Chartrand, Director [1] – longest serving President of Manitoba Metis Federation (1997 to present); Vice President of the Métis National Council (2000 to present) - Experienced leader with over forty years of experience dealing with government and First Nations' interests. Dr. Chartrand has not entered into a noncompetition or non-disclosure agreement. Dr. Chartrand is currently 58 years of age. He intends to devote approximately 20% of his time to Green Mountain.
Wade Attwood 	President, Director, and Co-Founder [1] – Co-Founder and the President of Green Mountain; President and CEO of General Harmonics (May 2010 to December 2017) - Over 30 years of business experience and a history of successful ventures in public equity markets, private and public venture capital funding, initial public offerings, and corporate guidance and restructuring. Mr. Attwood has not entered into a noncompetition or non-disclosure agreement. Mr. Attwood provides his services to us as an independent contractor. Mr. Attwood is currently 59 years of age. He intends to devote approximately 100% of his time to Green Mountain.
Salil Dhaumya 	Treasurer, CFO, Corporate Secretary, Director, and Co-Founder [1] – CFO of two public mineral exploration companies: War Eagle Mining Co. Inc., (TSXV: WAR), (since August 2010); and Canada Rare Earth Corporation (TSV: LL), (since January 2015). - Mr. Dhaumya earned a Bachelor of Commerce (Honors) Degree from Panjab University, India in 1985 and is a CPA, CMA, a designation obtained in British Columbia, Canada in 2004. Mr. Dhaumya has not entered into a noncompetition or non-disclosure agreement. Mr. Dhaumya provides his services to us as an independent contractor.

Name	Principal occupation and related experience
	Mr. Dhaumya is currently 52 years of age. He intends to devote approximately 70% of his time to Green Mountain.
John King 	Director – Independent Consultant (January 2016 to December 2017); President and CEO of Silverton Properties Group (July 2016 to May 2017); Gemma Communications LP (April 2014 to December 2015); and Independent Consultant (June 2012 to March 2014) - Experienced business leader with over twenty years of executive-level experience in financial services, B2B and B2C businesses. Mr. King has not entered into a noncompetition or non-disclosure agreement. Mr. King is currently 53 years of age. He intends to devote approximately 20% of his time to Green Mountain.
Alison Ruks 	Senior Vice President – Alison joined Green Mountain as an independent consultant June 1, 2018 and accepted the role of Senior Vice-President effective June 28, 2018. She became an employee of Green Mountain effective January 1, 2019. She has worked as an Independent Consultant (since June 2017) on various third-party projects. She created and ran Steiner & Ruks Enterprises Co. Inc. (DBA MoBoleez), an ecommerce business (September 1, 2017 – May 31, 2018). Alison worked with True Leaf Medicine International Ltd. (September 2013 – August 2017). Alison joined True Leaf as an independent consultant assuming the role of Communications Officer (2013-2014). She transitioned to Vice President of Marketing and Operations in 2015 and Executive Vice President in 2016. From October 2016 to March 31, 2017, she was considered an employee of True Leaf. In April 2017 to August 2017, Alison worked as an independent consultant to True Leaf as a project manager. She has over 15 years of experience as a leader in both the cannabis and natural health industries. Alison specializes in executive leadership, strategic planning, project management, product development, marketing and communications, and human resources. She started her first business in the natural health industry while still in her 20s. Alison received a Chartered Herbalist certificate from the Dominion Herbal College (2003). She obtained a Bachelor of Commerce with honors - from the University of British Columbia (2012) and is a designated Chartered Human Resources Professional (2013) with CHRP Canada. Ms. Ruks has not entered into a noncompetition or non-disclosure agreement. Ms. Ruks provides her services to us as an employee starting in January 2019. Ms. Ruks is currently 37 years of age. She intends to devote approximately 70% of her time to Green Mountain.

Notes:

(1) Member of Audit Committee.

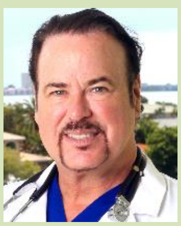
(2) Management

Name	Principal occupation and related experience
Marisa Cornacchia 	Chief Clinical Affairs Officer – Independent Consultant (since September 2017); Registered Nurse, Toronto: The Hospital for Sick Children (since January 2000); VP Clinical Operations and Business Development Aleafia Health Inc. (CSE: ALEF) (September 2016 – April 2018); VP Health Care Practice Risk, Marsh Risk Consulting (September 2015 to September 2016); Sr. Officer/Assistant Manager Medical Advisory Services & WSIB, Toronto Police Services (April 2013 to September 2015). Ms. Cornacchia has over 20 years of health care experience and is well versed in establishing clinical services and programs for outcome-based care. She obtained a CRM, Risk Management from the University of Toronto (2016), a Master of Business Administration from Columbia Southern University (2014), Doctoral degree in Health Sciences (Health & Safety) from McMaster University (2010), and a Bachelor Degree, Psychology, Registered Nursing and COHN(C) from York University (1991).
Dave Coolidge 	Co-Founder and Vice President Business Development – Mr. Coolidge is a private business person who manages his own portfolio. He is an innovative and visionary investment and equities trader with more than 20 years' diverse experience with a foundation in Canadian and US Securities. He specializes in mergers, acquisitions, and capital raises.
Eoin Moloney 	Quality Assurance Person – Mr. Moloney has over 10 years' experience in the food industry (both private and public sectors), primarily in senior quality roles. Mr. Moloney has expertise in Food Safety, Good Manufacturing Practices, and Analytical testing. He is a Certified Food Scientist, a Certified HACCP Auditor, and has obtained Approved Chemist Status with the American Oil Chemists Society (AOCS). Mr. Moloney holds a Bachelor's degree in Food Science from University College Cork, Ireland.
Trish Stathers 	Head Grower – Ms. Stathers was the Vineyard Manager for Monte Creek Ranch Winery (May 2016 to June 2018) and Vineyard management for Kozier Organic (February 2014 to May 2016). Trish got her start in cultivation over 20 years ago by assisting with running her family's apple orchard. Ms. Stathers has a Bachelor of Science (Biology) from the University of British Columbia and a Graduate Diploma in Applied Science (Viticulture) from Lincoln University. Ms. Stathers recently graduated from the Cannabis Production Program at Olds College, which included a

Name	Principal occupation and related experience
	practicum component working for a licensed cannabis producer cloning, transplanting, pruning, and learning about SOPs and the general LP working environment.
Dominic Unsworth 	Head Facilities Designer – Mr. Unsworth is the owner and President of Fallowfield Development, a private commercial and residential architectural design firm (since 2007). He created Sumlump Design Inc. (since 2010) to focus on winery production and retail design, integrating alternative energy technologies and modular building systems. His work with Okanagan's top producers has been featured internationally. Mr. Unsworth has a diploma of Architectural Building Technology from the Pacific Design Academy and a Bachelor of Science (Biology) from Dalhousie University.

(3) Advisory Board

Name	Principal occupation and related experience
Dooma Wendschuh 	Mr. Wendschuh is part of the advisory board for Green Mountain. He is also the Co-Founder and Chief Executive Officer of Province, a private company involved in creating cannabinoid-derived products to serve as an alternative to alcohol, tobacco, caffeine, and prescribed and illegal psycho-actives (since September 2016). Mr. Wendschuh was also the Co-Founder of ebbu, a private Colorado-based cannabinoid research and consumer products company which successfully raised $10 million in outside capital (January 2014 to January 2016). Prior to becoming involved in the cannabis industry, Mr. Wendschuh was the Co-Founder and Chief Executive Office of sekretagent Productions, a private video game and film production company. Sekretagent released over 14 successful video game titles and was involved in multiple advertising campaigns for clients such as Coca-Cola, General Motors, Polaroid, William Morris and Endeavor. Mr. Wendschuh has a Bachelor of Arts (Public and International Affairs) from Princeton University and a Masters of Fine Arts (Cinema/Television) from the University of Southern California.
Tares Dhara 	Mr. Dhara is a Co-Founder, Principal, and the Senior Geotechnical Engineer of Green Mountain. Mr. Dhara is also the Founder, CEO, and President of Chilkoot Geological Engineers Ltd., a private consulting engineering firm based in Whitehorse, Yukon (established in 1999). The firm provides geotechnical and environmental engineering services for clients within the private, public, and government sectors in the Yukon and British Columbia. CGE has established close working relationships with a number of First Nations clients located in the Yukon and Northern British Columbia, providing onsite training to various First Nations environmental and land resources departments to assist in long-term

Name	Principal occupation and related experience
	project objectives and community development. Mr. Dhara has a Bachelor of Geological Engineering from the University of British Columbia.
Corey Spence 	Mr. Spence works as an independent contractor in the horticulture space. He was a Service Group Manager with Argus Control Systems Ltd., a private company providing automated control systems for horticulture, aquaculture, and related biotechnology industries (February 2001 to March 2017). Mr. Spence has a Diploma of Applied Project Management from Simon Fraser University, a Bachelor of Technology Management from the British Columbia Institute of Technology, and a Diploma in Electronic Engineering Technology, Instrumentation and Automation from the British Columbia Institute of Technology.
Dr. Gregory Smith 	Dr. Gregory Smith works with Green Mountain as Medical and Research Advisor. He earned his medical degree from Rush Medical School in Chicago, and a Master of Public Health from Harvard University. He completed residency training in Preventive Medicine at Walter Reed Army Medical Center. Since leaving the US Army with the rank of Major, Doctor Smith has been in primary care practice in California, Georgia and Florida for the past 25 years. He first trained on use of medical cannabis in California in 2000 and has made medical cannabis and CBD part of his practice since that time. He is the author of Medical Cannabis: Basic Science and Clinical Applications, the first scientifically-based textbook directed at educating medical students and medical professionals on the science and applications of cannabinoid medications.
Dr. Rahim Valani 	Dr. Rahim Valani works with Green Mountain as a Medical and Research Advisor. He has been practicing emergency medicine in some of Canada's busiest emergency departments for over 18 years. Through his positions with St. Joseph's Health Centre (Toronto), Brampton Civic Hospital and Hamilton Health Sciences, Dr. Valani has led teams to respond to the changing needs of patients, communities, and the healthcare system. A recognized change agent, he has worked locally, nationally and internationally to learn, research, design and lead improvements to the delivery of emergency medicine as well as the supporting systems, structures, and processes. His innovative approaches have helped to relieve some of the significant pressures faced by our healthcare systems while concurrently raising the bar on quality to ensure Ontarians receive exceptional and timely care. Dr. Valani has worked with teams across Canada and around the globe to facilitate knowledge exchanges and collaborated on the development of the first international standards for pediatric emergency medicine

3.3 *Penalties, Sanctions and Bankruptcy*

Other than noted below, during the past ten years to our knowledge, none of our promoters, directors, officers or control persons involved with our business:

(a) has ever pled guilty to or been found guilty of:
  - a summary conviction or indictable offence under the Criminal Code (R.S.C., 1985, c. C-46) of Canada,
  - a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction,
  - a misdemeanor or felony under the criminal legislation of the United States of America, or any state or territory therein, or
  - an offence under the criminal legislation of any other foreign jurisdiction;

(b) is or has been the subject of an order (cease trade or otherwise), judgment, decree, sanction, or administrative penalty imposed by a government agency, administrative agency, self-regulatory organization, civil court, or administrative court of Canada or a foreign jurisdiction in the last ten years related to his or her involvement in any type of business, securities, insurance, or banking activity;

(c) is or has been the subject of a bankruptcy or insolvency proceeding;

(d) is a director or executive officer of an issuer that is or has been subject to a proceeding described in paragraphs (a), (b) or (c) above.

Ms. Alison Ruks, our Senior Vice President, entered a consumer proposal under the Bankruptcy and Insolvency Act on February 2, 2016. All obligations under the consumer proposal were satisfied by Ms. Ruks on October 11, 2017.

3.4 *Loans*

There are no debentures or loans to or from directors, management, promoters.

Item 4: Capital Structure

4.1 *Share Capital*

The table below describes our outstanding securities as at April 29, 2019 (including options, warrants and other securities convertible into shares).

Description of security	Number authorized to be issued	Price per security	Number outstanding as at April 29, 2019	Number outstanding after min. offering	Number outstanding after max. offering
Common Shares	Unlimited	N/A	41,476,168	41,477,168	41,927,168
Warrants	Unlimited	$0.50	2,181,490 (1)	2,181,490 (1)	2,181,490 (1)

Description of security	Number authorized to be issued	Price per security	Number outstanding as at April 29, 2019	Number outstanding after min. offering	Number outstanding after max. offering
Options	5,283,094	$0.10 $0.30 $0.50	2,000,000 (2) 1,660,000 (3) 460,000 (4)	2,000,000 (2) 1,660,000 (3) 460,000 (4)	2,000,000 (2) 1,660,000 (3) 460,000 (4)

Notes:

1. 1,100,000 of the warrants are exercisable at $0.50 per share (the "$0.50 Warrants"). Of these $0.50 Warrants 600,000 of the warrants expire on January 3, 2020. 500,000 of the warrants expire on May 8, 2020. 1,000,000 of the warrants are exercisable at $0.75 per share and expire March 1, 2021.
2. We have granted 2,000,000 options exercisable at $0.10 per share to our officers and directors of the Green Mountain. The options vest over a 2-year period, 20% on the grant date (January 2018) and 20% every six months after. The stock option plan was approved by our shareholders at the annual general meeting held in March 2018.
3. We have granted 1,660,000 options exercisable at $0.30 per share to certain employees and consultants who work with us. The majority of these options vest over a 2-year period, 20% on the grant date (April 2018) and 20% every six months after.
4. We have granted 460,000 options exercisable at $0.50 per share to certain employees and consultants who work with us. The majority of these options vest over a 2-year period, 20% on the grant date (June 2018) and 20% every six months after.

4.2 *Long Term Debt Securities*

Not Applicable.

4.3 *Prior Sales*

Prior to this offering, we have raised the following funds:

Date of Issuance	Type of security issued	Number of securities issued	Price per security	Total funds received
September 1, 2017	Common Shares	3,000,000	$0.005	$ 15,000.00
September 12, 2017	Common Shares	300,000	$0.010	$ 3,000.00
September 13, 2017	Common Shares	200,000	$0.050	$ 10,000.00
September 13, 2017	Common Shares	3,000,000	$0.005	$ 15,000.00
September 14, 2017	Common Shares	10,000	$0.050	$ 500.00
September 15, 2017	Common Shares	500,000	$0.050	$ 25,000.00
September 19, 2017	Common Shares	250,000	$0.050	$ 12,500.00
September 23, 2017	Common Shares	100,000	$0.050	$ 5,000.00
September 27, 2017	Common Shares	2,700,000	$0.005	$ 13,500.00

Date of Issuance	Type of security issued	Number of securities issued	Price per security	Total funds received
October 11, 2017	Common Shares	50,000	$0.050	$ 2,500.00
October 13, 2017	Common Shares	2,000,000	$0.005	$ 10,000.00
October 13, 2017	Common Shares	240,000	$0.050	$ 12,000.00
October 14, 2017	Common Shares	210,000	$0.050	$ 10,500.00
October 17, 2017	Common Shares	100,000	$0.050	$ 5,000.00
October 19, 2017	Common Shares	200,000	$0.050	$ 10,000.00
October 20, 2017	Common Shares	100,000	$0.050	$ 5,000.00
November 7, 2017	Common Shares	1,000,000	$0.010	$ 10,000.00
November 9, 2017	Common Shares	230,000	$0.010	$ 2,300.00
November 10, 2017	Common Shares	250,000	$0.010	$ 2,500.00
December 11, 2017	Common Shares	50,000	$0.100	$ 5,000.00
December 13, 2017	Common Shares	100,000	$0.100	$ 10,000.00
December 13, 2017	Common Shares	189,654	$0.200	$ 37,930.80
December 15, 2017	Common Shares	417,000	$0.100	$ 41,700.00
December 15, 2017	Common Shares	50,000	$0.200	$ 10,000.00
December 18, 2017	Common Shares	35,000	$0.200	$ 7,000.00
December 19, 2017	Common Shares	450,000	$0.100	$ 45,000.00
December 19, 2017	Common Shares	125,950	$0.200	$ 25,190.00
December 20, 2017	Common Shares	1,500,000	$0.010	$ 15,000.00
December 21, 2017	Common Shares	150,000	$0.100	$ 15,000.00
December 21, 2017	Common Shares	700,000	$0.010	$ 7,000.00
December 22, 2017	Common Shares	1,600,000	$0.010	$ 16,000.00
December 22, 2017	Common Shares	200,000	$0.100	$ 20,000.00
December 27, 2017	Common Shares	10,000	$0.200	$ 2,000.00
December 28, 2017	Common Shares	700,000	$0.010	$ 7,000.00
December 28, 2017	Common Shares	50,000	$0.050	$ 2,500.00
December 28, 2017	Common Shares	974,757	$0.100	$ 97,475.70
December 28, 2017	Common Shares	292,057	$0.200	$ 58,411.40
January 2, 2018	Common Shares	75,000	$0.200	$ 15,000.00
January 3, 2018	Common Shares	7,500	$0.200	$ 1,500.00
January 3, 2018	Units (1)	1,200,000	$0.250	$ 300,000.00
January 10, 2018	Common Shares	100,000	$0.200	$ 20,000.00
January 12, 2018	Common Shares	115,000	$0.200	$ 23,000.00
January 15, 2018	Common Shares	190,000	$0.200	$ 38,000.00
January 16, 2018	Common Shares	75,000	$0.200	$ 15,000.00
January 17, 2018	Common Shares	60,375	$0.200	$ 12,075.00
January 18, 2018	Common Shares	366,000	$0.200	$ 73,200.00

Date of Issuance	Type of security issued	Number of securities issued	Price per security		Total funds received
January 19, 2018	Common Shares	125,000	$0.100	$	12,500.00
January 19, 2018	Common Shares	125,001	$0.300	$	37,500.30
February 15, 2018	Common Shares	500,000	$0.010	$	5,000.00
February 15, 2018	Common Shares	50,000	$0.100	$	5,000.00
February 15, 2018	Common Shares	352,176	$0.300	$	105,652.80
April 18, 2018	Common Shares	80,000 (2)	$0.050	$	4,000.00
April 18, 2018	Common Shares	583,800 (2)	$0.100	$	58,380.00
April 18, 2018	Common Shares	300,000	$0.200	$	60,000.00
April 18, 2018	Common Shares	3,170,851	$0.300	$	951,255.30
April 18, 2018	Common Shares	128,000	$0.500	$	64,000.00
May 8, 2018	Units (3)	1,000,000	$0.300	$	300,000.00
May 8, 2018	Common Shares	584,307	$0.300	$	175,292.10
May 23, 2018	Common Shares	1,005,000 (2)	$0.100	$	100,500.00
May 23, 2018	Common Shares	591,690	$0.300	$	177,507.00
May 23, 2018	Common Shares	164,500	$0.500	$	82,250.00
May 30, 2018	Common Shares	165,000	$0.300	$	49,500.00
May 30, 2018	Common Shares	200,000	$0.500	$	100,000.00
July 20, 2018	Common Shares	66,667	$0.200	$	13,333
July 20, 2018	Common Shares	381,684	$0.300	$	114,505
July 20, 2018	Common Shares	2,559,648	$0.500	$	1,279,824
August 30, 2018	Common Shares	3,333	$0.300	$	1,000
August 30, 2018	Common Shares	706,900	$0.500	$	353,450
August 28, 2018	Warrants (4)	81,490	$0.000	$	0
October 1, 2018	Common Shares	179,390	$0.500	$	89,695
October 2, 2018	Common Shares	5,000 (2)	$0.100	$	500
October 2, 2018	Common Shares	73,333 (2)	$0.300	$	22,000
October 2, 2018	Common Shares	40,000 (2)	$0.500	$	20,000
February 28, 2019	Common Shares	411,595 (5)	$0.500	$	205,798
March 1, 2019	Units (5)	2,000,000	$0.500	$	1,000,000
May *, 2019 (6)	Common Shares	1,700,000	$0.500	$	850,000
	Total Common Shares:	**41,476,168**	**TOTAL:**	**$**	**7,327,742.90**
	Total Warrants:	**2,181,490**			

Note:

(1) Each unit consisted of one common share and one-half of a share purchase warrant. Each whole warrant is exercisable for one additional common share at $0.50 per share. The warrants expire January 3, 2020.

(2) These shares include shares issued out in connection with a consulting agreement(s).

(3) Each unit consisted of one common share and one-half of a share purchase warrant. Each whole warrant is exercisable for one additional common share at $0.50 per share. The warrants expire May 8, 2020.
(4) These warrants were issued to Silver Maple Ventures Inc. in connection with our offering on FrontFundr. Each whole warrant is exercisable for one additional common share at $0.65 per share. 77,950 of the warrants expire July 23, 2020 and 3,540 of the warrants expire on August 30, 2020.
(5) Each unit consisted of one common share and one-half of a share purchase warrant. Each whole warrant is exercisable for one additional common share at $0.75 per share. The warrants expire March 1, 2021.
(6) We have an obligation to issue these shares but are waiting on certain documents to be delivered prior to issuance.

We have also agreed to issue 105,000 Common Shares to the Kruger Family as part of the consideration for the lease of their land in connection with our business.

Item 5: Securities Offered

5.1 *Terms of Securities*

Each Common Share entitles the holder thereof to receive notice of any meetings of shareholders of the Corporation and to attend and cast one vote in person or by proxy per Common Share at all such meetings. Holders of Common Shares are entitled to receive on a pro-rata basis such dividends, if any, as and when declared by the Board at its discretion from funds legally available. Upon the liquidation, dissolution, or winding-up of the Corporation, all holders of these Common Shares are entitled to receive - on a pro-rata basis - the net assets of the Corporation after payment of debts and other liabilities subject to the rights, privileges, restrictions, and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro-rata basis with the holders of Common Shares with respect to dividends or liquidation.

The Common Shares do not carry any pre-emptive, subscription, redemption, or conversion rights.

Currently, our Common Shares are not listed on any stock exchange. As at the date of this Offering Memorandum, there are a total of 41,476,168 Common Shares issued and outstanding.

Item 6: Subscription Procedure

6.1 *Subscription Documents*

(1) General

For purchasers who are residing in a Canadian province, your purchase will be made in reliance upon the "**Offering Memorandum**" exemption in Section 2.9 (2.1) of NI 45-106, the "**Accredited Investor**" exemption in Section 2.3 of NI 45-106, the "**Friends, Family & Business Associate**" exemption in Section 2.5 of NI 45-106, or the "**Minimum Amount Investment**" exemption in Section 2.10 of NI 45-106.

The required form of risk acknowledgment under Sections 2.9(1), 2.9(2), and 2.9(2.1) of NI 45-106 is Form 45-106F4.

In Alberta, New Brunswick, Nova Scotia, Ontario, and Saskatchewan, Form 45-106F4 [required under Section 2.9(2.1)] includes *Schedule 1 - Classification of Investors Under the Offering Memorandum Exemption,* with respect to the eligibility of individual investors, and Schedule 2 - Investment Limits for Investors Under the Offering Memorandum Exemption, with respect to investment limits of individual investors.

If you purchase our Common Shares, you will have certain rights, some of which are described below.

Different rights apply depending on which exemption is relied upon. Furthermore, the Subscription Agreement supplements those rights on a contractual basis such that all Subscribers, wherever resident and regardless of the exemption relied upon, will be given substantially the same rights. These rights are summarized below. For further information about your rights, you should consult an attorney.

(2) Purchase Procedure

To purchase our Common Shares, the following documents must be sent to us by the Subscriber:

1. Subscription Agreement – completed and sign
2. If you are relying on the offering memorandum exemption and reside in:
   a. British Columbia or Newfoundland and Labrador — complete, date and sign the following:
      - Risk Acknowledgement (form 45-106F4) [Appendix G]
   b. Ontario, Alberta, Saskatchewan, New Brunswick, or Nova Scotia — complete, date and sign the following:
      - Risk Acknowledgement (Form 45-106F4) [Appendix G];
      - Classification of Investors [Schedule 1 to Appendix G]; and
      - Investment Limits for Investors [Schedule 2 to Appendix G] if investing more than $10,000.
   c. Manitoba or Prince Edward Island — complete, date and sign the following:
      - Risk Acknowledgement (form 45-106F4) [Appendix G]; and
      - Eligible Investor Certificate [Appendix H] if investing more than $10,000.
3. If you are relying on the accredited investor exemption:

   complete, date and sign the following:
   - Accredited Investor Certificate [Appendix A]; and
   - Risk Acknowledgement (Form 45-106F9) [Appendix B], if an individual who qualifies as an accredited investor under paragraphs (j), (k), or (l) of Appendix A.
4. If you are relying on the family, friends and business associates exemption and reside in:

a.	Any Province or Territory other than Ontario and Saskatchewan	complete, date and sign the following: • Family, Friend or Business Associate Certificate [Appendix C]
b.	Saskatchewan	complete, date and sign the following: • Family, Friend or Business Associate Certificate [Appendix C] • Risk Acknowledgement (Form 45-106F5) [Appendix D]
c.	Ontario	complete, date and sign the following: • Family, Friend or Business Associate Certificate [Appendix C]; and • Risk Acknowledgement (Form 45-106F12) [Appendix E]

5. a wire transfer, certified or cashier's cheque or digital payment to Green Mountain Health Alliance Ltd. in the amount of the aggregate purchase price of the Common Shares, to be held in escrow for a minimum of two business days following the execution of the Subscription Agreement by the Subscriber.

Once executed and delivered by the Subscriber, a Subscription Agreement constitutes an offer to purchase our Common Shares.

Following execution of the Subscription Agreement by Green Mountain, the Subscriber has no right to withdraw the amount of the purchase payment or any interest earned thereon, subject to the statutory two business day cooling-off period. Amounts will remain in "Escrow" pending satisfaction of the conditions set out in Item 5.2 – Subscription Procedure – Conditions of Sale.

(3) Terms of Sale

The Common Shares will be sold only to Subscribers who have submitted the documentation specified in Item 5.2 – Subscription Procedure, duly executed and delivered. Pursuant to the Subscription Agreement, each Subscriber shall have restrictions on transfer of the Common Shares. (See Item 11 – Resale Restrictions.)

Once we have accepted your Subscription Agreement, it will remain in effect as long as the Common Shares purchased pursuant thereto remain outstanding. A Subscription Agreement terminates only upon

(a) the purchase for cancellation of the Common Shares to which it relates, or
(b) the liquidation of Green Mountain.

Upon transfer of all Common Shares of a particular Class, the transferor is relieved of all restrictions and obligations under the Subscription Agreement which the transferor entered into upon the purchase of the Common Shares. Also, as a condition of the transfer, the transferee is required to abide by all of the provisions of the Subscription Agreement and the Voting Trust Agreement.

(4) Conditions of Sale

All cheques, wire transfers, and digital payments received by Green Mountain from purchasers will be deposited pending satisfaction of the conditions described below and subject to the purchaser's right to cancel the purchase of Common Shares within two business days after the execution of the Subscription Agreement. If these conditions of sale are not satisfied, the payments made by a purchaser for Common Shares will be returned without any interest.

We have the right to reject any prospective purchaser of Common Shares for any reason whatsoever. If we decide to accept an offer to purchase the Common Shares, we will execute a copy of the Subscription Agreement remitted by the purchaser and return one copy to such purchaser. If a request to purchase is accepted, Common Shares will be issued, and the purchaser will receive a certificate evidencing ownership of the Common Shares. If we determine not to accept an offer to purchase the Common Shares, or if the minimum offering is not achieved, we will return the Subscription Agreement, without its signature thereon, together with all funds held in escrow without interest to the applicable prospective purchasers.

THIS OFFERING IS SUBJECT TO A MAXIMUM OF 400,000 COMMON SHARES AND IS MADE ON A CONTINUOUS BASIS. UNLESS TERMINATED EARLIER BY US, THIS OFFERING WILL TERMINATE ON THE DATE ON WHICH ALL OF THE COMMON SHARES OFFERED HEREBY HAVE BEEN SOLD.

6.2 *Distribution*

This offering is being made to (and subscriptions will only be accepted from) persons resident in each of the provinces of Canada except for Quebec pursuant to the "offering memorandum", "accredited investor", and other applicable exemptions from the prospectus requirements of NI 45-106 adopted by Canadian Securities Administrators. At our discretion, Share Subscriptions may also be accepted from Subscribers of other jurisdictions if the purchaser provides the full particulars of the exemption being relied on from the registration and prospectus requirements under applicable securities laws and evidence of the purchaser's qualifications.

The foregoing exemptions relieve us from the provisions of applicable securities laws which otherwise would require us to file and obtain a receipt for a prospectus. Accordingly, prospective Subscribers for the Common Shares will not receive the benefits associated with a subscription for securities issued pursuant to a filed prospectus, including the review of material by securities regulatory authorities. Each purchaser is urged to consult with his or her own legal adviser as to the details of the statutory exemption being relied upon and the consequences of purchasing securities pursuant to such exemption.

The Common Shares have not been and will not be registered under the United States *Securities Act of 1933*, as amended. Subject to certain exceptions, therefore, these securities may not be offered or sold in the U.S.

Item 7: Income Tax Consequences and RRSP Eligibility

7.1 *Tax Advice*

You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

7.2 *Material Income Tax Consequences*

There are no unique or material tax consequences that apply to the purchase of these shares.

7.3 *Provide advice regarding the RRSP eligibility*

Not all securities are eligible for investment in a registered retirement savings plan (RRSP). You should consult your own professional advisers to obtain advice on the RRSP eligibility of these securities.

Item 8: Compensation Paid to Sellers and Finders

We do not intend to pay any commissions or finder's fee in connection with this offering.

Item 9: Risk Factors

There are a number of risk factors that could cause future results to differ materially from those described herein. The risks and uncertainties described herein are not the only ones we face. Additional risks and uncertainties, including those that we do not know about now or that we currently deem immaterial, may also adversely affect our business. If any of the following risks actually occur, our business may be harmed and our financial condition and results of operations may suffer significantly.

9.1 *General Business Risks*

Our success depends, in part, on our ability to attract and retain additional key skilled professionals which we may or may not be able to do. Our failure to do so could prevent us from achieving our goals or becoming profitable. Our success is dependent upon the ability, expertise, judgment, discretion and good faith of our senior management (collectively, "**key personnel**"). Our future success depends on our continuing ability to attract, develop, motivate and retain highly qualified and skilled employees. Qualified individuals are in high demand, and we 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 our ability to execute our business plan and strategy, and we may be unable to find adequate replacements on a timely basis, or at all. Furthermore, 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 our 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 our business, financial condition and results of operations. In addition, if a key person leaves Green Mountain, and we are unable to find a suitable replacement that has a security clearance required by the ACMPR in a timely manner, or at all, there may occur a material adverse effect on our 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.

We are a start-up company with no revenues. There is no assurance that our future operations will result in revenues or profits. If we cannot generate sufficient revenues to operate profitably, we may suspend or cease our operations. We were incorporated in August 2017 and have generated no revenue. We, therefore, are 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 and lack of revenues. There is no assurance that we will be successful in achieving a return on shareholders' investments, and the likelihood of success must be considered in light of the early stage of operations.

If we are unable to protect the confidentiality of our proprietary information and know-how, the value of our technology, products and services could be harmed significantly. The ownership and protection of trademarks, patents, trade secrets and intellectual property rights are significant aspects of our future success. Unauthorized parties may attempt to replicate or otherwise obtain and use our products and technology. Policing the unauthorized use of our current or future trademarks, patents, trade secrets, or intellectual property rights may be difficult. It may be expensive, time-consuming, and unpredictable as may be the enforcement of these rights against the unauthorized use by others. Identifying unauthorized use of intellectual property rights is difficult as we may be unable to effectively monitor and evaluate the products being distributed by our competitors, including parties such as unlicensed dispensaries, and the processes used to produce such products. In addition, in any infringement proceeding, some or all of our trademarks, patents or other intellectual property rights or other proprietary know-how, or arrangements or agreements seeking to protect the same for our benefit may be found invalid, unenforceable, anti-competitive or not infringed. An adverse result in any litigation or defense proceedings could put one or more of our trademarks, patents or other intellectual property rights at risk of being invalidated or interpreted narrowly and could put existing intellectual property applications at risk of not being issued. Any or all of these events could materially and adversely affect the business, financial condition and our results of operations.

In addition, other parties may claim that our products infringe on their proprietary and perhaps patent protected rights. Such claims, whether or not meritorious, may result in the expenditure of significant financial and managerial resources, legal fees, resulting in injunctions, temporary restraining orders and/or requiring the payment of damages. As well, we may need to obtain licenses from third parties who allege that we have infringed on their lawful rights. However, such licenses may not be available on terms we accept. In addition, we may not be able to obtain or utilize on terms that are favorable to us, or at all, licenses or other rights with respect to intellectual property that we do not own.

We will need a significant amount of capital to carry out our proposed business plan. Unless we are able to raise sufficient funds, we may be forced to discontinue our operations. There is no guarantee that we will be able to achieve our business objectives. Our continued development may require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of current business objectives or we cease to carry on business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable to us. In addition, from time to time, we may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed wholly or partially with debt, which may increase our debt levels above industry standards. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities including potential acquisitions. Debt financings may also contain provisions which, if breached, may entitle lenders or their agents to accelerate repayment of loans and/or realize upon security over our assets, and there is no assurance that we would be able to repay such loans in such an event or prevent the enforcement of security granted pursuant to such debt financing.

Our proposed cannabis business is subject to significant regulation by the Canadian Federal Government. There is no assurance that we will be granted licensed producer status by Health Canada. Any continued failure or delay in obtaining such status would materially and adversely affect our operations. We depend heavily on the success of acquiring a production license from Health Canada to be able to grow, store, and distribute medical cannabis in Canada. There is no assurance that it will be approved by Health Canada or that we will be granted licensed producer status. Should we be unable to obtain all required licenses, or if the regulations in Canada continue to change, our proposed cannabis production business would not be able to operate or there could be a significant cost to change our operations in order to remain compliant with the laws and regulations.

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

We may be exposed to liability claims which our insurance may not cover and which could harm our reputation. We have insurance to protect our assets, operations, directors and employees. While we believe our insurance coverage addresses all material risks to which we are exposed which is adequate and customary in our 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 we are exposed. In addition, no assurance can be given that such insurance will be adequate to cover our liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If we were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if we were to incur such liability at a time when we were not able to obtain liability insurance, there could be a material adverse effect on our business, financial condition and results of operation.

Fraudulent or Illegal activity by our employees, contractors and consultants may result in civil, criminal or administrative penalties or other financial and reputational damage. We are exposed to the risk that our 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 us 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 us to identify and deter misconduct by our employees and other third parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us 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 us, and we are not successful in defending ourselves or asserting our 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 our operations, any of which could have a material adverse effect on our business, financial condition and results of operations.

If there are any breaches of security at our facilities, or in respect to electronic documents or data storage we may inadvertently breach privacy laws applicable to our business which would expose us to government liability and potential litigation.

Given the nature of our product and its lack of legal availability outside of channels approved by the Government of Canada, 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 our facilities could expose us to additional liability and to potentially costly litigation, increase expenses relating to the resolution and future prevention of these breaches and may deter potential patients from choosing our products.

We are responsible for protecting certain 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 future 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 our business, financial condition and results of operations.

In addition, there are a number of federal and provincial laws protecting the confidentiality of certain investor, employee and patient information, including patient records, and restricting the use and disclosure of that protected information. In particular, the privacy rules under the Personal Information Protection and Electronics Documents Act (Canada) ("**PIPEDA**"), protect medical records and other personal information by limiting their use and disclosure of certain information to the minimum level reasonably necessary to accomplish the intended purpose. If we were found to be in violation of the privacy or security rules under PIPEDA or other laws protecting the confidentiality of patient health information, we could be subject to sanctions and civil or criminal penalties, which could increase our liabilities and harm our reputation resulting in a material adverse effect on our business, results of operations and financial condition.

9.2 *Risks Related to Our Business*

We have not commenced operations and are currently seeking to lay the foundation to commence our business. We have not received a cannabis production license from Health Canada and there can be no assurance that we will receive a production license. Until we receive a production license, we cannot begin the production, sale and distribution of medical cannabis. It is currently not known when or if we will be granted a production license. The key milestones to obtaining a production license include filing an application, receiving a pre-licensing approval notice, completion of the upgrades as per the application, approval to produce upon inspection of the facility, and approval to distribute the product to patients.

We are subject to all of the business risks and uncertainties associated with any new business enterprise, including the risks that we will be unable to acquire the necessary production license, successfully produce the product, or establish a market for our product. If we receive a production license, we anticipate at least 12 months from the date of grant of this production license to achieve positive cash flow from operations. There can be no assurance that consumer demand for our product will be as anticipated, or that we will become profitable. As a result, an investment in our common shares involves a high degree of risk and should only be acquired if you can afford to lose your entire investment.

Our proposed cannabis business is subject to significant regulation by the Canadian Federal Government. There is no assurance that we will be granted licensed producer status by Health Canada. Any continued failure or delay in obtaining such status would materially and adversely affect our operations. We depend heavily on the success of acquiring a production license from Health Canada to be able to grow, store and distribute medical cannabis in Canada. There is no assurance that we will be approved by Health Canada or will be granted licensed producer status. Should we be unable to obtain all required licenses, or if the regulations in Canada continue to change, our proposed cannabis production business would not be able to operate or there could be a significant cost to change our operations to remain compliant with the laws and regulations.

Once a production license is obtained, any failure to comply with the terms of the production license, or any failure to renew the production license after its expiry date would have a materially-adverse impact on the financial condition and operations of our business.

Our operations are subject to regulations promulgated by government regulatory agencies from time to time. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. However, there can be no guarantee that we will be able to obtain and maintain, at all times, all necessary licenses and permits required to carry out our business.

Future changes in laws, regulations and guidelines may seriously impact our proposed business. The commercial medical cannabis industry is a new industry. We anticipate that such regulations will be subject to change as the Federal Government monitors licensed producers in action. Our operations are subject to a variety of laws, regulations, guidelines and policies relating to the manufacture, import, export, management, packaging/labelling, advertising, sale, transportation, storage and disposal of medical cannabis but also including laws and regulations relating to drugs, controlled substances, health and safety, the conduct of operations and the protection of the environment. While to the knowledge of management, we are currently in compliance with all such laws, any changes to such laws, regulations, guidelines and policies due to matters beyond our control may cause adverse effects to our operations.

Risks Inherent in an agricultural business may result in the loss of entire crops which would severely affect our future business viability. Our business involves the growing of medical cannabis, an agricultural product. Our business will be subject to the risks inherent in the agricultural business, such as insects, plant diseases and similar agricultural risks. Although we expect 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.

A product liability claim or regulatory action against us could result in increased costs, adversely affecting our market reputation. As distributors of products designed to be ingested by humans, we face an inherent risk of exposure to product liability claims, regulatory action and litigation if our products are alleged to have caused significant loss or injury. In addition, the sale of our products involves the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of our products alone or in combination with other medications or substances could occur. We may be subject to various product liability claims including - among others - that our products caused injury or illness, contained inadequate instructions for use, or provided inadequate warnings concerning possible side effects or interactions with other substances. A product liability claim or regulatory action against us could result in increased costs, could adversely affect our reputation with our clients or consumers, and could have a material adverse effect on our results of operations and our financial condition. There can be no assurances that we 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 our potential products.

Results of future clinical research may result in negative conclusions about the medical benefits of cannabis reducing demand. 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 we believe that the articles, reports and studies support our belief 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, investors should not place undue reliance on such articles and reports. Future research studies and clinical trials may draw opposing conclusions to those stated in this prospectus or 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 our products with the potential to lead to a material adverse effect on our business, financial condition and results of operations.

Negative consumer perception of cannabis and its health benefits may have a material adverse effect on future demand. We believe that 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 our products 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 our products or the products of our 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 is perceived as less favorable than (or that questions) earlier research reports, findings or publicity could have a material adverse effect on the demand for our products and our business, results of operations and financial condition. Our dependence on 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 an adverse effect on any demand for our products which could have a material adverse effect on our business, financial condition and results of operations. Furthermore, adverse publicity reports or other media attention regarding the safety, efficacy and quality of cannabis for medical purposes in general, or our 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.

Constraints on marketing cannabis products by Health Canada may limit our ability to brand and compete for market share. The development of our 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 our ability to compete for market share in a manner similar to other industries. If we are unable to effectively market our 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 our products, our sales and operating results could be adversely affected.

We may not acquire market share or achieve profits due to competition in the medical cannabis industry. There is potential that we will face intense competition from other companies, some of which can be expected to have longer operating histories, more financial resources, and more manufacturing and marketing experience than we do. Increased competition from larger and better financed competitors could materially and adversely affect our business, financial condition and our results of operations.

The government 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 our operations. Because of the early stage of the industry in which we operate, we expect to face additional competition from new entrants. According to Health Canada, there were 175 licensed producers as of April 29, 2019. If the number of users of medical cannabis in Canada increases, the demand for products will increase and we expect that competition will become more intense as current and future competitors begin to offer an increasing number of diversified products. To remain competitive, we will require a continued level of investment in research and development, marketing, sales and client support. We may not have sufficient resources to maintain research and development, marketing, sales and client support efforts on a competitive basis. This could materially and adversely affect the business, financial condition and our results of operations.

9.3 *Risks that Affect an Investment in Our Common Shares*

If we issue additional common shares, shareholders may experience further dilution in their ownership of Green Mountain. We may issue additional common shares in the future, which may dilute our current shareholder's holding in our company. Our articles permit the issuance of an unlimited number of common shares, and shareholders will have no pre-emptive rights in connection with such further issuance. Our directors have discretion in determining the price and terms of further issuances. Moreover, additional common shares will be issued on the exercise of options under our stock option plan and upon the exercise of any outstanding warrants.

We cannot assure that we will ever pay dividends. We do not currently anticipate the declaration or paying of dividends to our shareholders in the near future. We intend to apply net earnings, if any, in the foreseeable future to increase our capital base and marketing. Prospective investors seeking or needing dividend income or liquidity should, therefore, not purchase our common shares. There is no assurance that we will ever have sufficient earnings to declare and pay dividends to the holders of our common shares and, in any event, a decision to declare and pay dividends is at the sole discretion of our board of directors.

9.4 *Environmental Regulations and Risks*

Our operations are subject to environmental regulation in the various jurisdictions in which we operate. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, 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 our operations.

Government approvals and permits are currently and may in the future be required in connection with our operations. To the extent that such approvals are required and are unable to be obtained, we may be curtailed or prohibited from our proposed production of medical cannabis or from proceeding with the development of our operations as currently proposed.

Failure to comply with applicable laws, regulations, or permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed. Such enforcement actions may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. We may be required to compensate those suffering loss or damage by reason of our operations and may have civil or criminal fines or penalties imposed against us for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing the production of medical cannabis, or more stringent implementation thereof, could have a material adverse impact on the company and cause increases in expenses, capital expenditures or production costs or reduction in levels of production or require abandonment or delays in development.

Item 10: Reporting Obligations

10.1 *Nature and Frequency of Reporting*

We are not a "reporting issuer" in any jurisdiction in Canada. This means we are not required to file documents with securities regulators or provide you with financial or other information under Canadian securities laws. **We are not required to send you any documents on an annual or ongoing basis**.

As a corporation formed under the *Business Corporation Act* (British Columbia), we are required to provide you, and all of our shareholders, with audited financial statements annually.

As a common shareholder, you will have a right to receive notice of and participate in the annual general meeting of our common shareholders.

Where required pursuant to applicable laws, we may file with the securities regulatory authorities or deliver to the securities regulatory authorities, audited annual financial statements of Green Mountain, as well as a notice that accompanies the financial statements describing how the proceeds raised under the offering have been used and such other information for a non-reporting issuer that distributes securities using the offering memorandum exemption required by applicable securities laws.

10.2 *Sources of Information about the Corporation*

Information about our incorporation, amendments to our Articles, directors, officers, annual corporate filings and other corporate information can be obtained from the Corporate Registry of British Columbia by contacting the registry at https://www.corporateonline.gov.bc.ca/.

Item 11: Resale Restrictions

11.1 *General Statement*

For trades in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island, Saskatchewan and Yukon, these securities will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under securities legislation.

11.2 *Restricted Period*

(1) Purchasers resident in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island, Saskatchewan and the Yukon

Unless permitted under securities legislation, you cannot trade the securities before the date that is 4 months and a day after the date Green Mountain Health Alliance Inc. becomes a reporting issuer in any province or territory of Canada.

(2) Manitoba Resale Restrictions

Unless permitted under securities legislation, you must not trade the securities without the prior written consent of the regulator in Manitoba unless

(a) Green Mountain Health Alliance Inc. has filed a prospectus with the regulator in Manitoba with respect to the securities you have purchased and the regulator in Manitoba has issued a receipt for that prospectus, or
(b) you have held the securities for at least 12 months.

The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

Item 12: Purchasers' Rights

If you purchase these securities you will have certain rights, some of which are described below. For information about your rights you should consult a lawyer.

12.1 *Two Day Cancellation Right*

You can cancel your agreement to purchase these securities. To do so, you must send a notice to us by midnight on the 2nd business day after you sign the agreement to buy the securities.

12.2 *Statutory Rights of Action in the Event of a Misrepresentation*

You will have a statutory right of action in the event of a misrepresentation in the Offering Memorandum. These statutory rights vary depending on which province you reside and are described below.

(1) Purchasers British Columbia, Alberta, Prince Edward Island, Newfoundland, Northwest Territories, Nunavut and Yukon

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

(a) the company to cancel your agreement to buy these securities; or
(b) for damages against the company.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the securities. If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date of the transaction that gave rise to the cause of action. You must commence your action for damages within the earlier of:

(a) 180 days after learning of the misrepresentation; or
(b) three years after the date of the transaction that gave rise to the cause of action.

(2) Purchasers Resident in Manitoba

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

(a) the company to cancel your agreement to buy these securities; or
(b) for damages against the company, every person who was a director of the company on the date of the offering memorandum, and every other person who signed this offering memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the securities. If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date of the transaction that gave rise to the cause of action. You must commence your action for damages within the earlier of:

(a) 180 days after learning of the misrepresentation; or
(b) two years after the date of the transaction that gave rise to the cause of action.

(3) Purchasers Resident in New Brunswick

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

(a) the company to cancel your agreement to buy these securities; or
(b) for damages against the company.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the securities. If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date of the transaction that gave rise to the cause of action. You must commence your action for damages within the earlier of:

(a) one year after learning of the misrepresentation; or
(b) six years after the date of the transaction that gave rise to the cause of action.

(4) Purchasers Resident in Nova Scotia

If there is a misrepresentation in this offering memorandum, you have a statutory right to sue:

(a) the company to cancel your agreement to buy these securities; or
(b) for damages against the company, every person who was a director of the company on the date of the offering memorandum, and every other person who signed this offering memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the securities. If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date of the transaction that gave rise to the cause of action. You must commence your action for damages within 120 days of the date on which payment was made for the securities.

(a) If there is a misrepresentation in this offering memorandum, you have a statutory right to sue:
(b) the company to cancel your agreement to buy these securities; or
(c) for damages against the company.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the securities. If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date of the transaction that gave rise to the cause of action. You must commence your action for damages within the earlier of:

(a) 180 days after learning of the misrepresentation; or
(b) three years after the date of the transaction that gave rise to the cause of action.

(5) Purchasers Resident in Saskatchewan

If there is a misrepresentation in this offering memorandum, you have a statutory right to sue:

(a) the company to cancel your agreement to buy these securities; or
(b) for damages against:
    (i) the company, and a director or a promoter of the company, as the case may be, at the time the offering memorandum was sent or delivered;
    (ii) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them;
    (iii) every person who, or company that, in addition to the persons or companies mentioned in clauses (i) and (ii), signed the offering memorandum; and
    (iv) every person who or company that sells Common Shares on behalf of the company under the offering memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the securities. If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date of the transaction that gave rise to the cause of action. You must commence your action for damages within the earlier of:

(a) one year after learning of the misrepresentation; or
(b) six years after the date of the transaction that gave rise to the cause of action.

Item 13: Financial Statements

13.1 *Audited Financial Statements*

GREEN MOUNTAIN HEALTH ALLIANCE LTD.

AUDITED FINANCIAL STATEMENTS

for the Year Ended December 31, 2018

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Green Mountain Health Alliance Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Green Mountain Health Alliance Ltd. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2018 and 2017 and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the year ended December 31, 2018 and the period from incorporation on August 31, 2017 to December 31, 2017, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018 and 2017, and its financial performance and its cash flows for the year ended December 31, 2018 and the period from incorporation on August 31, 2017 to December 31, 2017 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company incurred a net loss of $3,200,572 during the year ended December 31, 2018 and, as of that date, the Company's total deficit was $3,421,482. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the

consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Erez Bahar.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Professional Accountants

April 11, 2019

GREEN MOUNTAIN HEALTH ALLIANCE LTD.
Consolidated Statement of Financial Position
(Expressed in Canadian Dollars)

	December 31, 2018	December 31, 2017
Assets	$	$
Current assets		
Cash	1,267,968	382,785
Receivable	22,846	2,643
Deposit (Note 6)	87,568	-
Prepaid expenses	17,777	3,500
Payment reserve (Note 8)	12,355	-
Total current assets	**1,408,514**	**388,928**
Property, plant and equipment (Note 7)	**2,128,545**	**-**
Total assets	**3,537,059**	**388,928**
Liabilities and shareholders' equity	$	$
Current liabilities		
Accounts payable and accrued liabilities	150,049	13,830
Loan (Note 8)	448,943	-
Total current liabilities	**598,992**	**13,830**
Shareholders' equity		
Share capital (Note 9)	5,309,551	596,008
Share subscriptions received in advance (Note 9)	151,580	-
Shares to be issued (Note 9)	121,418	-
Contributed surplus (Note 9)	777,000	-
Accumulated deficit	(3,421,482)	(220,910)
Total shareholders' equity	**2,938,067**	**375,098**
Total liabilities and shareholders' equity	**3,537,059**	**388,928**

Nature of Operations and Going Concern (Note 1)
Commitments (Note 15)
Events After the Reporting Period (Note 16)

Approved on behalf of the Board of Directors on April 9, 2019

Wade Attwood, CEO Director *David Chartrand* Director

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

GREEN MOUNTAIN HEALTH ALLIANCE LTD.
Consolidated Statement of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Year ended December 31, 2018	From the Period of Incorporation on August 31, 2017 to December 31, 2017
	$	$
Expenses		
Administrative and office	199,196	4,292
Consultants and service providers	572,021	135,747
Depreciation	31,820	-
Advertising and promotion	236,805	-
Management fees (Note 10)	226,640	36,000
Professional fees	113,588	9,019
Property lease (Note 15)	46,500	-
Rental charges	13,091	-
Repairs and maintenance	121,222	-
Salaries and benefits	110,114	-
Share-based compensation (Note 9, 10)	1,140,317	10,000
Supplies	112,805	-
Travel	264,677	25,852
Loss before other items	(3,188,796)	(220,910)
Other income (expense)		
Foreign exchange	38,816	-
Finance costs	(50,592)	-
Net loss and comprehensive loss for the period	(3,200,572)	(220,910)
Loss per common share (basic and diluted)	(0.10)	(0.02)
Weighted average shares outstanding (basic and diluted)	32,184,249	12,321,905

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

GREEN MOUNTAIN HEALTH ALLIANCE LTD.
Consolidated Statement of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Share Subscriptions received in advance	Shares to be Issued	Contributed Surplus	Deficit	Total Shareholders' Equity
		$	$	$	$	$	$
Balance, August 31, 2017 (inception)	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Private placements	21,949,418	586,008	-	-	-	-	**586,008**
Share-based payments	100,000	10,000	-	-	-	-	**10,000**
Loss for the period	-	-	-	-	-	(220,910)	**(220,910)**
Balance, December 31, 2017	**22,049,418**	**596,008**	**-**	**-**	**-**	**(220,910)**	**375,098**
Private placements	13,817,865	4,229,226	-	-	205,000	-	**4,434,226**
Share-based payments	1,497,290	484,317	-	-	-	-	**484,317**
Share subscriptions	-	-	151,580	-	-	-	**151,580**
Shares to be issued	-	-	-	121,418	-	-	**121,418**
Stock options issued	-	-	-	-	572,000	-	**572,000**
Loss for the period	-	-	-	-	-	(3,200,572)	**(3,200,572)**
Balance, December 31, 2018	**37,364,573**	**5,309,551**	**151,580**	**121,418**	**777,000**	**(3,421,482)**	**2,938,067**

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

GREEN MOUNTAIN HEALTH ALLIANCE LTD.
Consolidated Statement of Cash Flows
(Expressed in Canadian dollars)

	Year ended December 31, 2018	From the Period of Incorporation on August 31, 2017 to December 31, 2017
Operating activities	$	$
Loss for the period	(3,200,572)	(220,910)
Depreciation	31,820	-
Finance costs	50,592	-
Share-based compensation	1,140,317	10,000
Property lease (Note 15)	31,500	-
Changes in non-cash working capital items:		-
Deposits	(87,568)	-
Receivables	(20,203)	(2,643)
Prepaid expenses	(14,277)	(3,500)
Accounts payable and accrued liabilities	67,607	13,830
Net cash used in operating activities	(2,000,784)	(203,223)
Investing activities	$	$
Purchase of property and equipment	(1,944,652)	-
Net cash used in investment activities	(1,944,652)	-
Financing activities	$	$
Proceeds from issuance of share capital (net)	4,289,226	586,008
Proceeds from subscriptions received in advance	151,580	-
Proceeds of loan, net of transaction costs and	439,236	
Prepayment of mortgage	(49,423)	-
Net cash provided by financing activities	4,830,619	586,008
	$	$
Change in cash for the period	885,183	382,785
Cash, beginning of the period	382,785	-
Cash, end of the period	1,267,968	382,785

Cash paid during the period for interest	$ 37,595	$ -
Cash paid during the period for income taxes	$ -	$ -

Supplemental Cash Flow Information

Shares issued or to be issued to acquire property and	$ 150,918	$ -
Property and equipment in accounts payable	$ 64,795	$ -
Prepayment reserve applied to repayments	$ 37,068	$ -
Payment reserve in accrued liabilities	$ 3,817	$ -

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

1. Nature of Operations and Going Concern

Green Mountain Health Alliance Ltd. (the "Company") was incorporated under the Business Corporations Act of the Province of British Columbia on August 31, 2017. The Company's registered office is located at 838 West Hastings Street, Suite 700, Vancouver, BC V6C 0A6.

The Company is seeking a cannabis license under the Cannabis Act and its regulations administered by Health Canada. The Company also filed for an industrial hemp license with Health Canada in December 2018. As at December 31, 2018, the Company does not have a cannabis or industrial hemp license from Health Canada, and no products are in commercial production or use. The Company has not been granted a cannabis license and will be required to satisfy additional obligations in order to qualify including the completion of a compliant facility. There is a significant risk that the Company will not receive a cannabis license, thus rendering the Company unable to proceed with its business model. The Company continues to work diligently to comply with all of the requirements of Health Canada. On April 4, 2019, the Company received the industrial hemp license for the Marron Valley and the White Lake properties. (Note 16)

These consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since its inception and the ability of the Company to continue as a going-concern depends upon its ability to raise adequate financing, obtain a licence from Health Canada and to develop profitable operations. As at December 31, 2018, the Company had working capital of $809,522 and an accumulated deficit of $3,421,482. These items may cast a significant doubt on the Company's ability to continue as a going concern. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

2. Basis of Presentation

a) *Statement of compliance*

These consolidated financial statements for the year ended December 31, 2018 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Standards Interpretations Committee.

b) *Basis of measurement*

The consolidated financial statements have been prepared on a historical cost basis, except for cash flow information and certain financial instruments which are measured at fair value. All amounts on the condensed financial statements are presented in Canadian dollars.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the condensed financial statements are disclosed in Note 5.

c) *Functional and presentation currency*

These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency.

2. Basis of Presentation (continued)

d) *Basis of consolidation*

These consolidated financial statements include the financial statements of the Company and the entities controlled by the Company, which consists of a wholly owned subsidiary called 1178097 B.C. Ltd., which was incorporated under the Business Corporations Act of British Columbia on August 31, 2018.

3. Summary of Significant Accounting Policies

a) *Property, plant and equipment*

Recognition and measurement

On initial recognition, property, plant and equipment are valued at cost, being the purchase price and directly attributable costs of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company.

Property, plant and equipment is subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses, with the exception of land which is not depreciated.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation

Depreciation is recognized in profit or loss and is provided on a declining basis over the estimated useful life of the assets as follows:

Buildings	5%
Machinery and equipment	20%
Furniture and fixtures	20%
Vehicles	20%

Depreciation is not recognized until an asset has been put to use. Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

b) *Impairment of long-lived assets*

Long-lived assets, including equipment and intangible assets are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds the recoverable amount. For the purposes of impairment-testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash flows from continuing use that are largely independent of cash flows of other assets or groups of the assets (the cash generating unit, or CGU). The recoverable amount of an asset or a CGU is the higher of its fair value, less costs to sell, and its value in use. If the carrying amount of an asset exceeds its recoverable amount, an impairment charge is recognized immediately in profit or loss by the amount by which the carrying amount of the asset exceeds the recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the lessor of the revised estimate of the recoverable amount, and the carrying amount that would have been recorded had no impairment loss been recognized previously.

3. Summary of Significant Accounting Policies (continued)

c) *Foreign currency transactions*

The Company's presentation currency is the Canadian dollar. The functional currency for the Company, being the currency of the primary economic environment in which the Company operates, is the Canadian dollar.

Foreign currency accounts are translated into Canadian dollars as follows:

At the transaction date, each asset, liability, revenue and expense denominated in a foreign currency is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year-end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at the year-end date and the related translation differences are recognized in net profit or loss.

Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars by using the exchange rate in effect at the date of the initial transaction and are not subsequently restated. Non-monetary assets and liabilities that are measured at fair value or a revalued amount are translated into Canadian dollars by using the exchange rate in effect at the date the value is determined and the related translation differences are recognized in net profit or loss or other comprehensive income/loss consistent with where the gain or loss on the underlying non-monetary asset or liability has been recognized.

d) *Financial instruments*

Financial Assets:

- Classification and measurement

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The classification of debt instruments is driven by the business model for managing the financial assets and their contractual cash flow characteristics. Debt instruments are measured at amortized cost if the business model is to hold the instrument for collection of contractual cash flows and those cash flows are solely principal and interest. If the business model is not to hold the debt instrument, it is classified as FVTPL. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL, for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument by-instrument basis) to designate them as at FVTOCI.

- Financial assets at FVTPL

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the income statement. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the income statement in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

3. Summary of Significant Accounting Policies (continued)

d) *Financial Instruments (continued)*

- Financial assets at FVTOCI

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

- Financial assets at amortized cost

Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

- Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For trade receivables the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

- Derecognition of financial assets

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the income statement. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

e) *Income taxes*

Income tax expense comprises current and deferred tax. Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the period-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

3. Summary of Significant Accounting Policies (continued)

f) *Income taxes (continued)*

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

g) *Share capital*

Financial instruments issued by the Company are classified as shareholders' equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as shareholders' equity instruments. Incremental costs directly attributable to the issue of new shares are shown in shareholders' equity as a deduction, net of tax, from the proceeds.

h) *Loss per share*

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

4. Adoption of New Accounting Pronouncements

Effective January 1, 2018, the following standards were adopted but did not have a material impact on the financial statements.

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting periods beginning before or on January 1, 2018.

The adoption of the following IFRS pronouncement will result in enhanced financial statement disclosures in the Company's annual consolidated financial statements. This pronouncement did not affect the Company's financial results, nor did it result in adjustments to previously-reported figures.

IFRS 9 Financial Instruments

Effective January 1, 2018, the Company has adopted IFRS 9 retrospectively. Prior periods were not restated, and no material changes resulted from adopting this new standard. IFRS 9 introduced a revised model for classification and measurement. The Company completed an assessment of its financial instruments as at January 1, 2018 and determined that neither the classification nor the measurement of the financial instruments were impacted from adopting this standard.

Expressed in Canadian Dollars

4. Adoption of New Accounting Pronouncements (continued)

The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

	Original classification (IAS 39)	New classification (IFRS 9)
Financial assets		
Cash	Fair value through profit and loss	Fair value through profit or loss
Receivables	Loans and receivables	Amortized cost
Financial Liabilities		
Accounts payable and accrued liabilities and loan	Financial liabilities, measured at amortized cost	Amortized cost

IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value, replacing the multiple rules in IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial asset. For financial liabilities, IFRS 9 retains most of the IAS 39 requirements and since the Company does not have any financial liabilities designated at FVTPL, the adoption of IFRS 9 did not impact the Company's accounting policies for financial liabilities.

As a result of the adoption of IFRS 9, the Company updated its accounting policy for financial instruments, as outlined in Note 3(d).

Standards, amendments and interpretations not yet effective

IFRS 16 Leases

IFRS 16 was issued in January 2016 and specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

This standard is effective for reporting periods beginning on or after January 1, 2019. The Company has determined that adoption of this standard will have no impact on the financial statements.

The Company does not expect to early adopt standards, amendments, and interpretations not yet effective.

5. Critical Accounting Estimates and Judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

Information about critical judgments in applying accounting policies and estimates is discussed below:

5. Critical Accounting Estimates and Judgments (continued)

Critical Judgments and Estimates

Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes it has adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent that it is probable that taxable profit will be available against which a deductible temporary difference can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

Going concern of operations

Management has made a determination about the Company's ability to continue as a going concern within Note 1.

Stock options

The fair value is estimated using the Black-Scholes option pricing model and relies on a number of estimated inputs, such as the expected life of the option, the volatility of the underlying share price, the risk-free rate of return and the estimated rate of forfeiture of options granted. Changes in the underlying estimated inputs may result in materially different results.

Fair value of services provided for share consideration

The Company has applied estimates with respect to the valuation of shares issued for non-cash consideration. Shares are valued either at the value of services received, or if not determinable, at the fair value of the equity instruments granted at the date the Company receives the goods or services.

Assessment of impairment indicators on property and equipment

Management considers both external and internal sources of information in determining if there are any indications that the Company's property and equipment are impaired. Management considers the market, economics, and legal environment in which the Company operates that are not within its control and affect the recoverable amount of its property and equipment. Management considers the manner in which the property and equipment are being used or are expected to be used, and indication of economic performance of the assets.

Fair value of warrants attached to units

In calculating the fair value of warrants as part of the units issued, management uses the residual method, where the shares are valued first and the residual amount is allocated to the warrants.

6. Deposit

The Company has provided a security deposit of $87,568 to the Regional District of Okanagan-Similkameen for the watercourse development permit on its property in Kaleden, BC.

Expressed in Canadian Dollars

7. Property and Equipment

	Land	Land Improve-ments	Machinery and Equipment	Buildings	Vehicles	Furniture and Fixtures	Total
	$	$	$	$	$	$	$
Cost							
At December 31, 2017	-	-	-	-	-	-	-
Additions	409,124	962,313	52,363	557,818	92,057	86,690	2,160,365
At December 31, 2018	409,124	962,313	52,363	557,818	92,057	86,860	2,160,365
Accumulated amortization							
At December 31, 2017	-	-	-	-	-	-	-
Amortization expense	-	-	-	13,945	9,206	8,669	31,820
At December 31, 2018	-	-	-	13,945	9,206	8,669	31,820
Net book value							
At December 31, 2017	-	-	-	-	-	-	-
At December 31, 2018	409,124	962,313	52,363	543,873	82,851	78,021	2,128,545

The Company has purchased machinery and equipment in anticipation of receiving a license and starting operations. As of December 31, 2018, the Company has not received the license from Health Canada and has not started operating. As such, the machinery and equipment have not been amortized.

8. Loan

The Company funded the purchase of land and buildings (Note 7) with cash and a loan of $455,000. The loan is secured by first charge on the property and a general security agreement. The loan amount was reduced by $49,423 for a payment reserve account to secure the 12 monthly mortgage payments.

Subsequent to December 31, 2018, the Company repaid the loan (Note 16).

The loan requires monthly blended payments of $4,118 from the payment reserve commencing April 2, 2018 with a maturity date of March 2, 2019. The balance of the loan becomes due on maturity. The stated interest rate on the loan is 9.95% per year.

The loan is presented net of transaction costs of $15,764, which are recognized in finance costs in profit and loss over the term of the loan using the effective interest rate method. The effective interest rate is 13.69% per year.

Expressed in Canadian Dollars

8. Loan

The loan continuity schedule is presented below:

Total loan	$ 455,000
Transaction costs	(15,764)
	439,236
Interest expense included in finance costs	37,595
Accretion expense included in finance costs	12,997
Payment advance applied	(37,067)
Accrued liability for last payment applied	(3,818)
Loan at December 31, 2018	$ 448,943

9. Share Capital

Authorized capital

Unlimited common shares, without par value.

Equity Financing

During the year ended December 31, 2017, the Company completed the following private placements:

- 10,700,000 common shares at $0.005 for gross proceeds of $53,500;
- 6,280,000 common shares at $0.01 for gross proceeds of $62,800;
- 2,000,000 common shares at $0.05 for gross proceeds of $100,000;
- 2,241,757 common shares at $0.10 for gross proceeds of $224,176;
- 727,661 common shares at $0.20 for gross proceeds of $145,532.

During the year ended December 31, 2018, the Company completed the following private placements:

- 500,000 common shares at $0.01 for gross proceeds of $5,000;
- 1,175,000 common shares at $0.10 for gross proceeds of $117,500;
- 1,263,875 common shares at $0.20 for gross proceeds of $252,775;
- 1,200,000 common shares at $0.25 for gross proceeds of $300,000, of which $60,000 was allocated to attached warrants;
- 5,916,202 common shares at $0.30 for gross proceeds of $1,774,860;
- 3,762,788 common shares at $0.50 for gross proceeds of $1,881,466.

In connection with these private placements, the Company recognized $145,000 in share-based compensation for shares issued to a party below fair value because he provided additional services. This was measured at the fair value of the equity instrument granted because the Company could not reliably estimate the value of services he provided. The Company also issued warrants in connection with private placements with a value of $60,000 and incurred finders fees of $42,375.

During the period, the Company received subscriptions for 13,300 common shares for $0.30 per share and 295,180 common shares for $0.50 for total gross proceeds of $151,580. Subsequently, the Company issued 220,000 common shares for $0.50 per share of the subscriptions received. (Note 16)

Expressed in Canadian Dollars

9. Share Capital (continued)

Share-based Payments

During the year ended December 31, 2017 the Company issued 100,000 common shares for services with a value of $10,000. The value of those services was determined based on the fair value of the equity instruments granted because the Company could not reliably estimate the value of services they provided.

During the year ended December 31, 2018 the Company issued 975,000 common shares for services with a value of $300,740. The value of those services was determined based on the fair value of the equity instruments granted because the Company could not reliably estimate the value of services they provided.

During the year ended December 31, 2018 the Company issued 522,290 common shares for services with a value of $183,577. The value of those services was the market value of the services provided.

During the period, the Company received services for $121,418 for which, the Company is obligated to issue 284,835 shares. Subsequently, the Company issued 171,595 common shares at $0.50 per share for the services received. (Note 16)

Stock Options

On January 2, 2018 the Company granted 2,000,000 options exercisable at $0.10 per share to officers and directors of the Company. The options vest over a 2-year period, 20% on the grant date and 20% every six months after and have a five-year life.

On April 16, 2018, the Company granted 1,660,000 options exercisable at $0.30 per share to officers, directors and consultants of the Company. The options vest over a 2-year period, 20% on the grant date and 20% every six months after and have a five-year life.

On June 29, 2018, the Company granted 460,000 options exercisable at $0.50 per share to officers and consultants of the Company. The options vest over a 2-year period, 20% on the grant date and 20% every six months after and have a five-year life.

The options were valued at $774,308, of which, $572,000 was included in profit or loss for the period, based on the vesting dates using the Black-Scholes option pricing model with the following weighted average assumptions:

Stock price	$0.27
Risk-free interest rate	1.89%
Expected volatility	80%
Expected life (years)	5
Expected dividend	nil

Volatility was estimated by using the historical volatility of other companies in the cannabis industry. The expected life in years represents the period of time that options granted are expected to be outstanding. The risk-free rate is based on Canada government bonds with a remaining term equal to the expected life of the options.

The amounts recognized as share-based payments and stock options are included in share-based compensation on the Statement of Loss and Comprehensive Loss.

Expressed in Canadian Dollars

9. Share Capital (continued)

Stock Options (continued)

The Company issued options during the period as follows:

	Number of options	Weighted average exercise price
		$
Outstanding, December 31, 2017	-	-
Granted during the period	4,120,000	0.225
Outstanding, December 31, 2018	4,120,000	0.225

The Company's outstanding and exercisable stock options at December 31, 2018 were:

	Outstanding Options			Exercisable Options	
Expiry Date	Number	Weighted Average Remaining Life	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
			$		$
January 1, 2023	2,000,000	4.01	0.10	800,000	0.10
April 16, 2023	1,660,000	4.29	0.30	664,000	0.30
June 29, 2023	460,000	4.50	0.50	184,000	0.50
	4,120,000	4.18	0.225	1,648,000	0.225

Company's outstanding warrants at December 31, 2018 were:

	Number of warrants	Weighted average exercise price	Expiry Date
		$	
Outstanding, December 31, 2017	-	-	
Granted during the period	600,000	0.50	January 3, 2020
Granted during the period	500,000	0.50	April 30, 2020
Granted during the period	77,950	0.65	July 23, 2020
Granted during the period	3,540	0.65	August 30, 2020
Outstanding, December 31, 2018	1,181,490	0.50	

Expressed in Canadian Dollars

10. Related Party Transactions

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Key management personnel compensation

	Year ended December 31, 2018	For the period from incorporation on August 31, 2017 to December 31, 2017
	$	$
Management fees	226,640	36,000
Share-based compensation	519,680	-
Total	746,320	36,000

There were no other payments to related parties at the period ended December 31, 2018 other than expense reimbursements in the ordinary course of business.

As at December 31, 2018, $18,869 (December 31, 2017 - $nil) in total is owing to officers and directors or to companies owned by officers and directors of the Company for services and expenses. These amounts owing have been included in accounts payable and accrued liabilities.

Related party balances are due on demand, bear no interest and are unsecured.

Transactions with related parties were in the normal course of business and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

11. Capital Management

The Company's objectives when managing its capital are to safeguard the Company's ability to continue as a going concern in order to support its objective of becoming a licensed producer of medical marijuana, to provide sufficient working capital to meet its ongoing obligations, to generate profitable operations and to pursue potential investments.

The Company considers its capital to include shareholders' equity and working capital. In order to maintain financial flexibility, the Company may from time to time issue shares and adjust its spending to manage current and projected capital levels. To assess capital and operating efficiency and financial strength, the Company continually monitors its working capital which is calculated as follows:

	December 31, 2018
	$
Current assets	1,408,514
Current liabilities	598,992
Working capital	809,522

The Company is seeking to become a licensed producer of medical marijuana. The Company monitors its forecasted working capital requirements on a quarterly basis. The Company prepares expenditure budgets, which are updated as necessary depending on varying factors including current and forecast prices, successful capital deployment and general industry conditions.

The Company is not subject to external capital restrictions. There were no changes to the Company's capital management approach during the period. The Company has not paid or declared any dividends since the date of incorporation, nor are any contemplated in the foreseeable future.

12. Financial Instruments

Fair Value

The Company's financial instruments include cash, receivable, accounts payable and accrued liabilities and loan.

A fair value hierarchy is used to categorize the inputs used to measure fair value. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are as follows:

Level 1 - include financial assets and liabilities that are measured in whole or in significant part by reference to published quotes in an active market at the measurement date. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2 - include financial assets and liabilities using valuation techniques based on assumptions that are supported by prices from observable current market transactions.

The Company has no assets or liabilities in this category.

Level 3 - include financial assets and liabilities measured using valuation techniques based on nonmarket observable inputs. This means that fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The Company has no assets or liabilities in this category.

The carrying value of receivable, accounts payable and accrued liabilities and loan approximate their fair value due to the short-term nature and limited credit risk of these assets and liabilities.

The Company's other financial instrument, cash, under the fair value hierarchy is based on level one quoted prices in active markets for identical assets or liabilities.

Financial Instruments Risk Management

The Company has exposure to credit, liquidity and market risks from its use of financial instruments. This note provides information about the Company's exposure to each of these risks, and the Company's objectives, policies and processes for measuring and managing such risks. The Company does not normally transact in currencies other than the Canadian dollar and is therefore not subject to significant foreign currency risk. The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk is attributable to cash and amounts receivable. Cash is held with large Canadian banks. Management believes the risk of loss to be remote. The Company's receivable is comprised of amounts owing from the Government of Canada for input tax credits receivable. Accordingly, the Company does not believe it is subject to significant credit risk.

Market risk

The Company's profitability and long-term viability will depend, in large part, on the market price of cannabis products. The market prices for cannabis products could be volatile affected by numerous factors beyond the Company's control, including: global or regional consumption patterns; the supply of, and demand for, this product; speculative activities; expectations for inflation; and political and economic conditions, including interest rates and currency values. The Company cannot predict the effect of these factors on cannabis products.

Expressed in Canadian Dollars

12. Financial Instruments (continued)

Market Risk (continued)

The market price of these cannabis products may not remain at current levels. In particular, an increase in worldwide supply and consequent downward pressure on prices may result in lower gross margins.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's is not exposed to significant interest rate risk on its loan due because it bears a fixed interest rate and is due in the near term.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in paying obligations as they come due. The Company's financial liabilities consist of accounts payable and accrued liabilities and loan. Accounts payable consists of invoices payable to trade suppliers and general corporate expenses. All of the Company's financial liabilities have contractual maturities of less than 90 days and are subject to normal trade terms.

As at December 31, 2018, the Company has a working capital of $809,522. The Company will need additional equity financing to continue operations and achieve its objectives.

13. Income Tax

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

Year ended December 31	2018 $	2017 $
Loss for the year	(3,200,572)	(220,910)
Expected income tax (recovery)	(864,000)	(57,400)
Change in statutory, foreign tax, foreign exchange rates and other	1,000	-
Permanent differences	308,000	3,700
Share issue cost	(11,000)	-
Change in unrecognized deductible temporary differences	566,000	53,700
Income tax expense (recovery)	-	-

In September 2017, the British Columbia (BC) Government proposed changes to the general corporate income tax rate to increase the rate from 11% to 12% effective January 1, 2018 and onwards. This change in tax rate was substantively enacted on October 26, 2017. The relevant deferred tax balances have been remeasured to reflect the increase in the Company's combined Federal and Provincial (BC) general corporate income tax rate from 26% to 27%.

Expressed in Canadian Dollars

13. Income Tax (continued)

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2018 $	Expiry Date Range	2017 $	Expiry Date Range
Temporary Differences				
Property and equipment	32,000	No expiry date	-	N/A
Share issue costs	34,000	2038 to 2041	-	N/A
Non-capital losses available for future periods	2,238,000	2037 to 2038	206,633	2037

Tax attributes are subject to review, and potential adjustment, by tax authorities.

14. Segment Reporting

The Company's activities are all in one industry segment of licensed production and sale of cannabis in Canada. All of the Company's long-lived assets are held in Canada.

15. Commitments

During the period, the Company entered into a binding letter of intent ("LOI") to execute a definitive agreement for a 49-year lease on 60 acres of a 98-acre agricultural property in Penticton, British Columbia, with a first right of refusal to lease the remaining 38 acres. The Company paid $15,000 at the time of signing of the LOI which was expensed to profit or loss as pre-acquisition property lease expense. Upon signing the LOI, the Company also became obligated to issue 105,000 common shares. The fair value of these common shares, as measured on the final approval date, of $31,500 was also recognized in profit or loss as a pre-acquisition property lease expense. An additional 105,000 shares are due to be issued as soon as the Company receives all legal approvals to cultivate cannabis on this property and monthly lease payments of $10,000 will commence when commercial operations on the property start.

The Company has 12-month compensation agreements for three individuals in management at $3,000 each per month. The initial term of the contracts are 12 months, which are automatically renewed for further incremental periods of 12 months at a time unless terminated by either party prior to expiry of the then term. The Company also has 6-month consulting agreements for two individuals in management at $7,500 each per month. The initial term of the contracts are 6 months, which are automatically renewed for further incremental periods of 6 months at a time unless terminated by either party prior to expiry of the then term.

During the period ended December 31, 2018, the Company entered into an agreement with a contractor where part of his services will be converted into common shares of the Company at $0.30 per share.

During the period ended December 31, 2018, the Company entered into agreements with suppliers and contractors where part of their services will be converted into common shares of the Company at $0.50 per share.

During the period ended December 31, 2018, the Company entered into agreements with consultants where the Company would be obligated to issue up to 1,000,000 shares to the consultants based on meeting certain milestones.

16. Events After The Reporting Period

Subsequent to December 31, 2018, the Company issued 210,000 common shares for share subscriptions that had been received in advance as of December 31, 2018 in the amount of $105,000.

Subsequent to December 31, 2018, the Company issued 171,595 common shares to consultants for payment of services received.

Subsequent to December 31, 2018, the Company received subscription proceeds of $69,500, of which, the Company issued 30,000 common shares for $15,000.

Subsequent to December 31, 2018, the Company issued 2,000,000 units for $0.50 per unit for total gross proceeds of $1,000,000. Each unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of $0.75 until March 1, 2021.

Subsequent to December 31, 2018, the Company incorporated 3 wholly owned subsidiaries in British Columbia, 1193898 B.C. Ltd. and Greener Life Medical Inc. on January 14, 2019, and Marron Valley Growers Inc. on February 14, 2019.

Subsequent to December 31, 2018, the Company acquired greenhouse and related assets for total consideration of $1,000,000, of which $150,000 was paid in cash and the balance in 1,700,000 common shares of the Company, to be issued, at a deemed price of $0.50 each. In the acquisition, the Company acquired a 10-year lease on the property expiring on July 31st, 2028. The Company is obligated to pay $1,000 rent per month as base rent for the term of the lease. On receipt of hemp license, which the Company received in April 2019, the rent increased to $2,000 per month. Upon commencement of cannabis operations from expanding the greenhouses, the gross rent payable under the lease increases to $3,000 per month for the term of the lease.

Subsequent to December 31, 2018, the Company paid off the loan on the property in the amount of $450,310 plus outstanding per diem interest of $368. (Note 8)

In January 2019, the Company entered into a commercial property lease agreement expiring on January 15, 2022. The Company will pay a base rent of $4,800 per month in addition to the utilities and taxes arising from its business. The Company has an option to purchase the premises at fair market value, which can be exercised prior to the end of the term of the lease.

On April 4, 2019, the Company received the industrial hemp license for the Marron Valley and the White Lake properties.

Item 14: Date and Certificate

Dated April 29, 2019

On behalf of the issuer, I certify this offering memorandum does not contain a misrepresentation.

GREEN MOUNTAIN HEALTH ALLIANCE LTD.

'Wade Attwood"	"Salil Dhaumya"
Wade Attwood President	Salil Dhaumya Chief Financial Officer

On behalf of the Directors of Green Mountain Health Alliance Ltd.

'Wade Attwood"	"Salil Dhaumya"
Wade Attwood, Director	Salil Dhaumya, Director

The Promoters of Green Mountain Health Alliance Ltd.

'Wade Attwood"	"Salil Dhaumya"
Wade Attwood, Promoter	Salil Dhaumya, Promoter
"Dave Coolidge"	"Tares Dhara"
Dave Coolidge, Promoter	Tares Dhara, Promoter

I acknowledge that I am signing this Offering Document electronically and agree that this is the legal equivalent of my handwritten signature. I will not at any time in the future claim that my electronic signature is not legally binding.