

## FORM 10

### **NOTICE OF PROPOSED SIGNIFICANT TRANSACTION (not involving an issuance or potential issuance of a listed security)<sup>1</sup>**

Name of Listed Issuer: Invictus MD Strategies Corp. (the "Issuer").

Trading Symbol: IMH

Issued and Outstanding Securities of the Issuer Prior to Transaction: 40,334,296

Date of News Release Fully Disclosing the Transaction: February 1, 2016

#### **1. Transaction**

Provide details of the transaction including the date, description and location of assets, if applicable, parties to and type of agreement (eg: sale, option, license, contract for Investor Relations Activities etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material:

On February 1, 2016 the Issuer announced that Future Harvest Development Ltd. ("Future Harvest"), of which Invictus MD currently owns 75% indirectly through its subsidiary Prestige Worldwide Holdings Inc., has entered into an asset purchase agreement (the "Agreement") with Sunblaster Holdings ULC, a B.C. company, ("Sunblaster Holdings") to sell Future Harvest's Sunblaster product line effective February 1, 2016 (the "Closing Date") for total cash consideration of \$3,854,836 plus inventory on hand. Preliminary inventory shows an estimated \$900,000 on hand at the Closing Date.

Under the terms of the Agreement, the total consideration is to be paid as follows:

- \$50,000 cash deposit (paid);
- \$3 million cash payable on the Closing Date;
- an amount equal to inventory on hand, at cost, as determined and payable within 30 days from the Closing Date;
- the final reconciliation payment, including any adjustments to freight based on actual spend, is due in cash on June 30, 2016;

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<sup>1</sup> If the transaction involved the issuance of securities, other than debt securities that are not convertible into listed securities, use Form 9.

- a management fee payable to Future Harvest of 2.8% of gross Sunblaster product line sales until June 30,2016; and
- operating cost recoveries of approximately \$24,000 per month until June 30, 2016.

Future Harvest's management will continue to manage operations and sales at the Kelowna, British Columbia facility in Canada.

2. Provide the following information in relation to the total consideration for the transaction (including details of all cash, non-convertible debt securities or other consideration) and any required work commitments:
  - (a) Total aggregate consideration in Canadian dollars: CDN \$3,854,836 plus inventory on hand at cost as of the Closing Date.
  - (b) Cash: CDN \$3,854,836 plus inventory on hand (estimated at approximately \$900,000)
  - (c) Other: Not applicable
  - (d) Work commitments: Not applicable.
3. State how the purchase or sale price and the terms of any agreement were determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc).  
  
Arm's-length negotiation between the parties.
4. Provide details of any appraisal or valuation of the subject of the transaction known to management of the Issuer: not applicable
5. If the transaction is an acquisition, details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: not applicable
6. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the transaction (including warrants, options, etc.):
  - (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the transaction (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): not applicable

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(b) Cash not applicable .

(c) Other not applicable .

7. State whether the vendor, sales agent, broker or other person receiving compensation in connection with the transaction is a Related Person or has any other relationship with the Issuer and provide details of the relationship.  
Not applicable

8. If applicable, indicate whether the transaction is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. Not applicable

## **2. Development**

Provide details of the development. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: not applicable

## **3. Certificate Of Compliance**

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. To the knowledge of the Issuer, at the time an agreement in principle was reached, no party to the transaction had knowledge of any undisclosed material information relating to the Issuer, other than in relation to the transaction.
3. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
4. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
5. All of the information in this Form 10 Notice of Proposed Significant Transaction is true.

Dated February 1, 2016.

Kelsey Chin  
Name of Director or Senior  
Officer

**"Kelsey Chin"**  
Signature

CFO  
Official Capacity