

FORM 9

NOTICE OF PROPOSED ISSUANCE OF LISTED SECURITIES **(or securities convertible or exchangeable into listed securities¹)**

Please complete the following:

Name of Listed Issuer: CannaRoyalty Corp. (the "Issuer").

Trading Symbol: CRZ

Date: February 17, 2017 .

Is this an updating or amending Notice: No

If yes provide date(s) of prior Notices: N/A.

Issued and Outstanding Securities of Issuer Prior to Issuance: 41,031,956.

Date of News Release Announcing Private Placement: Jan 9, 2017.

Closing Market Price on Day Preceding the Issuance of the News Release: \$3.10.

1. Private Placement (if shares are being issued in connection with an acquisition (either as consideration or to raise funds for a cash acquisition), proceed to Part 2 of this form)

N/A

2. Acquisition

1. Provide details of the assets to be acquired by the Issuer (including the location of the assets, if applicable). The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: The Issuer has agreed to provide aggregate consideration of C\$4,042,439.09 in exchange for a 20% equity interest in Anandia Laboratories Inc. ("Anandia Labs"), which will be satisfied through a combination of \$500,000 in equipment and services to be provided by the Issuer; approximately C\$1,500,000 in cash; and the balance in (i) 682,097 common shares of the Issuer at a deemed price per share equal to the lesser of (a) C\$3.10 being the closing price of the Shares on January 6, 2017, the last trading day prior to this announcement, and (b) the volume weighted average price of the Shares on the Canadian Securities Exchange for the 10 consecutive trading days immediately preceding the date of closing, and (ii) 7,471 common shares of the Issuer at a deemed price per share equal to the lesser of (a) the closing price of the Issuer's common shares on the trading day prior to the date of the announcement of the transaction, and

**FORM 9 – NOTICE OF PROPOSED ISSUANCE OF
LISTED SECURITIES**

January 2015
Page 1

(b) the volume weighted average price of the shares on the Canadian Securities Exchange for the 10 consecutive trading days immediately prior to the date of closing (collectively, the “Shares”).

2. Provide details of the acquisition including the date, parties to and type of agreement (eg: sale, option, license etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the acquisition without reference to any other material: To be completed on February 16, 2017, pursuant to a subscription agreement and equipment purchase agreement dated as of the same date. Anandia Labs is arm’s length and not otherwise related to the Issuer.
3. Provide the following information in relation to the total consideration for the acquisition (including details of all cash, securities or other consideration) and any required work commitments:
 - (a) Total aggregate consideration in Canadian dollars: C\$4,042,439.09.
 - (b) Cash: C\$1,521,217.55.
 - (c) Securities (including options, warrants etc.) and dollar value: 689,568 Shares, at a value of approximately C\$2,021,221.54.
 - (d) Other: \$500,000 in equipment and services to be provided by the Issuer.
 - (e) Expiry date of options, warrants, etc. if any: N/A.
 - (f) Exercise price of options, warrants, etc. if any: N/A.
 - (g) Work commitments: N/A.
4. State how the purchase or sale price was determined (e.g. arm’s-length negotiation, independent committee of the Board, third party valuation etc).
5. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer: N/A.
6. The names of parties receiving securities of the Issuer pursuant to the acquisition and the number of securities to be issued are described as follows:

Name of Party (If not an individual, name all insiders of the Party)	Number and Type of Securities to be Issued	Dollar value per Security (CDN\$)	Conversion price (if applicable)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed by Party	Describe relationship to Issuer ⁽¹⁾
Anandia Laboratories Inc.	682,097 Common Shares	\$2.93214	N/A	Asset Acquisition	Nil	N/A
Anandia Laboratories Inc.	7,471 Common Shares	\$2.84	N/A	Asset Acquisition	Nil	N/A

(1) Indicate if Related Person

7. Details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: Customary due diligence, including through external counsel .
8. 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 acquisition (including warrants, options, etc.): N/A
9. State whether the sales agent, broker or other person receiving compensation in connection with the acquisition is a Related Person or has any other relationship with the Issuer and provide details of the relationship. N/A
10. If applicable, indicate whether the acquisition is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. N/A .

FORM 9 – NOTICE OF PROPOSED ISSUANCE OF LISTED SECURITIES

January 2015
Page 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 on behalf of the Issuer.
2. As of the date hereof there is not material information concerning the Issuer which has not been publicly disclosed.
3. 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 CSE Policy 1).
4. All of the information in this Form 9 Notice of Issuance of Securities is true.

Dated February 16, 2017.

Marc Lustig
Name of Director or Senior
Officer

(signed) "Marc Lustig"
Signature

Chief Executive Officer
Official Capacity