

iAnthus Capital Holdings, Inc.
(the “Company”)

Form 51-102F6V

STATEMENT OF EXECUTIVE COMPENSATION – Venture Issuer

*All currency references in this Statement of Executive Compensation section are expressed in **United States Dollars** unless otherwise specified. A reference to C\$ means Canadian dollars.*

Named Executive Officer

In this section “Named Executive Officer” (“**NEO**”) means any individual who, during the Company’s two most recently completed financial years ended December 31, 2015 and December 31, 2016 was:

- (a) the chief executive officer (“**CEO**”) (or an individual who acted in a similar capacity) of the Company;
- (b) the chief financial officer (“**CFO**”) (or an individual who acted in a similar capacity) of the Company;
- (c) each of the three other most highly compensated executive officers of the Company or any of its subsidiaries or the three most highly compensated individuals acting in a similar capacity (except those whose total salary and bonus does not exceed C\$150,000); and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or any of its subsidiaries, nor acting in a similar capacity, at the end of the Company’s fiscal years ended December 31, 2015 and 2016.

For purposes of this Statement of Executive Compensation, the following are the NEOs: Hadley Ford, current CEO and director; Randy Maslow, current President and director; Julius Kalcevich, current CFO and director; Savio Chiu, former CFO and former director; and David Velisek, former President and former director. The directors of the Company who are not also NEOs are: Dr. Richard J. Boxer, director; Paul Rosen; director; David Eaton, former director; Herrick M.T. Lau, former director; and Ronan Sabo-Walsh, former director.

Director and NEO compensation, excluding compensation securities

On August 15, 2016, the Company completed the acquisition of iAnthus Capital Management, LLC (“**ICM**”), a Delaware limited liability company, through a reverse takeover arrangement (the “**RTO**”). Prior to closing of the RTO, the Company (formerly, “Genarca Holdings Ltd.”) did not provide compensation to its NEOs or directors for the two most recent financial years ended December 31, 2015 and December 31, 2016.

ICM did not have a board of directors and was managed by a single member, iAnthus Manager, LLC, (“**iAnthus Manager**”). There was no compensation provided to iAnthus Manager at any time during the two most recent financial years ended December 31, 2015 and December 31, 2016.

The following table sets forth all annual and long term compensation for services paid to or earned by each of the NEOs and directors during the two most recent financial years ended December 31, 2015 and December 31, 2016. The Company used an exchange rate of C\$.7555 to report in USD currency.

Table of compensation excluding compensation securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites ⁽⁸⁾ (\$)	Value of all other compensation (\$)	Total compensation (\$)
Hadley Ford ⁽¹⁾ CEO and Director	2016	Nil	51,000	Nil	Nil	Nil	51,000
	2015	Nil	Nil	Nil	Nil	Nil	Nil
Randy Maslow ⁽²⁾ President and Director	2016	Nil	105,650	Nil	Nil	Nil	105,650
	2015	Nil	Nil	Nil	Nil	Nil	Nil
Julius Kalcevich ⁽³⁾ CFO and Director	2016	59,685	18,888	Nil	Nil	Nil	78,572
	2015	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Richard J. Boxer ⁽²⁾ Director	2016	Nil	Nil	5,958	Nil	Nil	5,958
	2015	Nil	Nil	Nil	Nil	Nil	Nil
Paul Rosen ⁽²⁾ Director	2016	Nil	Nil	6,044	Nil	Nil	6,044
	2015	Nil	Nil	Nil	Nil	Nil	Nil
David Velisek ⁽⁴⁾ Former President and Former Director	2016	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil
Savio Chiu ⁽⁵⁾ Former CFO and Former Director	2016	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil
David Eaton ⁽⁶⁾ Former Director	2016	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil
Herrick M.T. Lau ⁽⁶⁾ Former Director	2016	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil
Ronan Sabo-Walsh ⁽⁷⁾ Former Director	2016	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mr. Ford was appointed CEO and director of the Company on August 12, 2016.
- (2) Messrs. Maslow, Rosen and Dr. Boxer were each appointed as director of the Company on August 12, 2016.
- (3) Mr. Kalcevich was appointed director on August 12, 2016 and appointed CFO on October 24, 2016.
- (4) Mr. Velisek was President and director of the Company from November 15, 2013 to August 12, 2016.
- (5) Mr. Chiu was appointed as CFO on August 12, 2016 and resigned as CFO on October 24, 2016. Mr. Chiu was also a director of the Company from April 27, 2015 until August 12, 2016.
- (6) Messrs. Eaton and Lau were each appointed director of the Company on March 26, 2015 and resigned on August 12, 2016.
- (7) Mr. Sabo-Walsh was appointed director of the Company on April 27, 2015 and resigned on August 12, 2016.
- (8) Perquisites provided to the NEOs do not reach the prescribed threshold.

Stock Options and Other Compensation Securities

The Company had two plans for incentive based compensation during the year ended December 31, 2016: a equity compensation plan (which is a historical plan implemented by ICM prior to the RTO and is referred to herein as the “ICM Plan”) and a rolling stock option plan (which is the plan implemented by the Company after the RTO and is referred to herein as the “Stock Option Plan”).

In November 2015, ICM established the ICM 2015 Equity Compensation Plan (the “**ICM Plan**”). The ICM Plan authorized the issuance of up to 2,000,000 class A units of ICM (the “**Class A Units**”). Options granted generally vest over one and a half to two years, and typically have a life of ten years. The option price under the ICM Plan was determined in the sole discretion of management, but in no case, was less than 100% of the fair market value of a share on the grant date. ICM issued 1,350,000 unit options (the “**ICM Unit Options**”) to employees, advisors and consultants. Each ICM Unit Option gave the holder the right to purchase one Class A Unit for an exercise price equal to the fair market value of a Class A Unit on the date of grant. *(See the Company’s Non-Offering Prospectus dated August 12, 2016 filed under the Company’s SEDAR profile at www.SEDAR.com.)*

In connection with the RTO, and pursuant to a share exchange agreement dated March 11, 2016 and an amended and restated share exchange agreement on June 30, 2016 (the “**Share Exchange Agreement**”) among the Company, ICM, members of ICM, iAnthus Transfer Corp. (“**iAnthus Transfer**”), shareholders of iAnthus Transfer, iAnthus Formation Corp. (“**iAnthus Formation**”), and the shareholders of iAnthus Formation, the Company was required, pursuant to section 2.3 of the Share Exchange Agreement, to assume the outstanding ICM Unit Options of ICM held by certain ICM Unit Option holders concurrent with the closing of the RTO.

On March 11, 2016, the Company’s board of directors (the “**Board**”) approved the adoption of a rolling stock option plan (the “**Stock Option Plan**”). The Stock Option Plan is designed to promote the long-term success of the Company by strengthening the ability of the Company to attract and retain highly competent employees and by promoting greater alignment of interests between executives and shareholders in the creation of long-term shareholder value. The purpose of granting stock options (the “**Options**”) is to assist the Company in compensating, attracting, retaining and motivating its executive officers and to closely align the personal interests of such persons to that of the shareholders.

The Board has the authority either to grant Options or has the authority to delegate to any other Board committee (the “**Committee**”) appointed for the purpose of compensating the Company’s directors, officers, employees and consultants) the ability to grant Options to the Company’s directors, management, employees and consultants.

Options can be granted, from time to time in the sole discretion of the Board or the Committee, to persons eligible to receive Options under the Stock Option Plan. Option exercise prices are set in accordance with Canadian Securities Exchange (“**CSE**”) policies.

In determining the number of Options to be granted to the executive officers, the Board considers a number of factors including the amount and term of Options previously granted, base salary and annual performance incentives awarded to the executives and commensurate with those offered by other companies in our industry; and the exercise price of any outstanding options to ensure that such grants are in accordance with CSE policies. Options vest on terms established by the Board at the time of grant. See disclosure under “Stock Option Plans and Other Incentive Plans” for material terms of the Stock Option Plan.

Prior to closing of the RTO, the Company did not grant Options. Prior to closing of the RTO, ICM granted to each of Messrs. Ford and Maslow 120,000 ICM Unit Options with a C\$1.60 exercise price on May 11, 2016.

The following table discloses the particulars of the option-based awards granted to the NEOs and Directors under the ICM Plan and the Stock Option Plan in the financial year ended December 31, 2016. The Company issued certain non-executive directors a grant of 25,000 options post-RTO.

Compensation Securities							
Name and position	Type of Compensation Security	Number of compensation securities, number of underlying securities, and percentage of class (#)	Date of issue or grant (mm/dd/yy)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date (mm/dd/yy)
Hadley Ford ⁽¹⁾ CEO and Director	ICM Unit Options	120,000 ⁽¹⁾	May 11, 2016	C\$1.60	N/A ⁽²⁾	C\$2.33	May 11, 2026
Randy Maslow ⁽¹⁾ President and Director	ICM Unit Options	120,000 ⁽¹⁾	May 11, 2016	C\$1.60	N/A ⁽²⁾	C\$2.33	May 11, 2026
Julius Kalcevich ⁽³⁾ CFO and Director	ICM Unit Options	200,000 ⁽³⁾	May 17, 2016	C\$1.61	N/A ⁽²⁾	C\$2.33	May 17, 2026
Dr. Richard J. Boxer ⁽⁴⁾ Director	Options	25,000 ⁽⁴⁾	September 30, 2016	C\$1.76	C\$1.70	C\$2.33	September 30, 2026
Paul Rosen ⁽⁴⁾ Director	Options	25,000 ⁽⁴⁾	September 30, 2016	C\$1.76	C\$1.70	C\$2.33	September 30, 2026
David Velisek ⁽⁵⁾ Former President and Former Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Savio Chiu ⁽⁵⁾ / Former CFO and Former Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
David Eaton ⁽⁵⁾ Former Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Herrick M.T. Lau ⁽⁵⁾ Former Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Ronan Sabo-Walsh ⁽⁵⁾ Former Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) On May 11 2016, Messrs. Ford and Maslow were each granted 120,000 ICM Unit Options with an exercise price of C\$1.60 each.
- (2) The Company began trading on the CSE on September 7, 2016 and, as such, no closing price was available on May 11 and 17, 2016.
- (3) On May 17, 2016, Mr. Kalcevich was granted 200,000 ICM Unit Options with an exercise price of C\$1.61.
- (4) On September 30, 2016, Dr. Boxer and Mr. Rosen were each granted 25,000 Options with an exercise price of C\$1.76.

Exercise of Compensation Securities by NEOs and Directors

During the financial year ended December 31, 2016, no options were exercised by an NEO or director of the Company.

Stock Option Plans and Other Incentive Plans

On March 11, 2016 the Board approved the Stock Option Plan, which is a “rolling” plan whereby a maximum of 10% of the issued common shares, from time to time, may be reserved for issuance pursuant to the exercise of options. As at December 31, 2016, there were 15,976,269 common shares outstanding. Accordingly a maximum of 1,597,627 common shares are available for reserve for exercise of Options under the Stock Option Plan. As at December 31, 2016, there were Options outstanding to purchase 1,538,000 common shares, 961,575 of which were exercisable as at December 31, 2016. As a result, 59,627 common shares were available for reserve for exercise of incentive plan awards. As at the date hereof, there are Options outstanding to purchase 2,526,000 common shares and 1,273,476 common shares are available for reserve for exercise of incentive plan awards.

The material terms of the Stock Option Plan are as follows:

1. The purpose of the Stock Option Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified executives, employees and consultants to contribute toward the long term goals of the Company, and to encourage such individuals to acquire common shares of the Company as long term investments.
2. The Company’s Compensation Committee (the “**Committee**”) shall, from time to time and in its sole discretion, determine those executives, employees and consultants to whom Options are to be granted.
3. The term of any Options granted under the Stock Option Plan will be fixed by the Committee at the time such Options are granted and set out in the option certificate issued in respect of such Option, provided that Options will not be permitted to exceed a term of ten years. The term and expiry date of any Options granted to a 10% shareholder participant will not exceed five years from grant date of such Options.
4. The exercise price at which an option holder may purchase a common share upon the exercise of an Option shall be determined by the Committee and shall be set out in the option certificate issued in respect of the Option. The exercise price shall not be less than the market value of the common shares as of the grant date. The market value of the common shares for a particular grant date shall be determined as follows:
 - (a) for each organized trading facility on which the common shares are listed, market value will be the closing trading price of the common shares on the day immediately preceding the grant date, and may be less than this price if it is within the discounts permitted by the applicable regulatory authorities;
 - (b) if the Company’s common shares are listed on more than one organized trading facility, the market value shall be the market value as determined in accordance with subparagraph (a) above for the primary organized trading facility on which the common shares are listed, as determined by the Committee, subject to any adjustments as may be required to secure all necessary regulatory approvals;
 - (c) if the Company’s common shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the grant date, then the market value

will be, subject to any adjustments as may be required to secure all necessary regulatory approvals, such value as is determined by the Committee; and

- (d) if the Company's common shares are not listed on any organized trading facility, then the market value will be, subject to any adjustments as may be required to secure all necessary regulatory approvals, such value as is determined by the Committee to be the fair value of the common shares, taking into consideration all factors that the Committee deems appropriate, including, without limitation, recent sale and offer prices of the common shares in private transactions negotiated at arms' length. Notwithstanding anything else contained herein, in no case will the market value be less than the minimum prescribed by each of the organized trading facilities that would apply to the Company on the grant date in question.

Notwithstanding the foregoing, the exercise price of common shares subject to an Option granted under the Stock Option Plan to a 10% shareholder participant shall be not less than 110% of the fair market value of the common shares on the grant date as determined in good faith by the Committee at the grant date.

5. The vesting schedule for an Option, if any, shall be determined by the Committee and shall be set out in the option certificate issued in respect of the Option. The Committee may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a triggering event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the option holder under section 9.2 of the Stock Option Plan.
6. All Options will be non-assignable and non-transferable.
7. The aggregate number of Options which may be granted to any one option holder under the Stock Option Plan within any 12 month period must not exceed 5% of the number of issued and outstanding common shares of the Company (unless the Company has obtained disinterested shareholder approval).
8. If required by regulatory rules, disinterested shareholder approval is required to the grant to insiders, within a 12 month period, an aggregate number of Options which, when added to the number of outstanding Options granted to Insiders within the previous 12 months, exceed 10% of the number of issued and outstanding common shares of the Company.
9. The aggregate number of Options which may be granted to any one consultant within any 12 month period must not exceed 2% of the number of issued and outstanding common shares of the Company.
10. The maximum number of Options which may be granted within any 12 month period to employees or consultants engaged in investor relations activities must not exceed 2% of the outstanding issue and such Options must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period, and such limitation will not be an amendment to the Stock Option Plan requiring the option holders consent under section 9.2 of the Stock Option Plan.
11. In the event that the option holder holds his or her Option as an executive and such option holder ceases to hold such position other than by reason of death or disability, the expiry date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the option certificate, the 30th day following the date the option holder ceases to hold such position unless the option holder ceases to hold such position as a result of:

- (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
- (ii) a special resolution having been passed by the shareholders of the Company removing the option holder as a director of the Company or any subsidiary; or
- (iii) an order made by any regulatory authority having jurisdiction to so order,

in which case the expiry date shall be the date the option holder ceases to hold such position.

12. In the event that the option holder holds his or her Option as an employee or consultant and such option holder ceases to hold such position other than by reason of death or disability, the expiry date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the option certificate, the 30th day following the date the option holder ceases to hold such position, unless the option holder ceases to hold such position as a result of:

- (i) termination for cause;
- (ii) resigning his or her position; or
- (iii) an order made by any regulatory authority having jurisdiction to so order,

in which case the expiry date shall be the date the option holder ceases to hold such position.

13. In the event that the option holder ceases to hold the position of executive, employee or consultant for which the Option was originally granted, but comes to hold a different position as an executive, employee or consultant prior to the expiry of the Option, the Committee may, in its sole discretion, choose to permit the Option to stay in place for that option holder with such Option then to be treated as being held by that option holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the option holder under section 9.2 of the Stock Option Plan. Notwithstanding anything else contained herein, in no case will an Option be exercisable later than the expiry date of the Option.

Current Options

There were no re-pricings of Options under the Stock Option Plan or otherwise during the Company's financial years ended December 31, 2015 and December 31, 2016. Notwithstanding the foregoing, on April 27, 2017, the Board ratified, confirmed and approved, for accounting treatment, the applicable CAD exercise prices for the ICM Unit Options. As at December 31, 2016, the Company granted 1,538,000 Options, 961,575 of which were exercisable as at December 31, 2016. As a result, 59,627 common shares were available for reserve for exercise of incentive plan awards. On March 31, 2017, the Company granted 35,000 Options. As at the date hereof, the Company has 2,526,000 Options outstanding with a weighted average exercise price of C\$1.66 each.

Employment, consulting and management agreements

Other as set out herein, the Company has no agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or NEO.

The Company utilizes the services and office space of LDV, a related party owned by the Company's officers, Messrs. Ford and Maslow. On October 1, 2015, ICM entered into an administrative services agreement with LDV pursuant to which LDV provides full time equivalent staff to perform certain

accounting, business development, recordkeeping, tax filing and other operating functions. The agreement provides for a monthly fee of \$70,000.

On February 4, 2016, the Company entered into an agreement with Baron pursuant to which Baron would provide advisory and corporate finance services to the Company. Messrs. Velisek, Chiu, Eaton, Lau and Sabo-Walsh are all employed by Baron. Pursuant to the advisory services agreement, ICM retained Baron on a 12-month term upon listing on the CSE to be its exclusive corporate advisor. Pursuant to the advisory services agreement, the Company agreed to pay Baron a one-time fee of C\$50,000 (\$37,776) and a monthly cash fee of C\$12,000 plus applicable tax upon listing on the CSE and the Company is responsible for all reasonable out-of-pocket expenses related to the services. In addition, the Company granted 100,000 Options to Baron on September 9, 2016. Either party can terminate the agreement without cause by providing 30 days written notice to the other party. The agreement was renewed for another 12-month period on February 4, 2017.

The Company has commitments to continue its relationship for three to six months from March 31, 2017 with the marketing firms Kanan Corbin Schupak & Aronow, Inc. (dba. KCSA Strategic Communications), North 6th Agency, Inc., and Blue Chip Public Relations, Inc., for investor public relations services.

Oversight and description of director and NEO compensation

Compensation Review Process

The Board determines the compensation of its executive officers. In determining compensation, the Board considers industry standards and financial situation but does not currently have any formal objectives or criteria. The performance of each executive officer is informally monitored by the Board having in mind the business strengths of the individual and the purpose of originally appointing the individual as an officer.

The Company does not have a compensation committee. The Board has not adopted any specific policies or practices to determine the compensation for the Company's directors and executive officers other than as disclosed above.

After completion of the RTO, the Board determined that non-executive directors will be paid C\$5,000 in person per board meeting and C\$3,000 for a telephonic board meeting in their capacity as directors.

Risk Management

The Board has not considered the implications of the risks associated with the Company's compensation policies and practices.

The Company has not adopted a policy forbidding directors or officers from purchasing financial instruments designed to hedge or offset a decrease in market value of the Company's securities granted as compensation or held, directly or indirectly, by directors or officers. The Company is not, however, aware of any of its directors or officers having entered into this type of transaction.

Elements of Executive Compensation Program

The Company's compensation program consists of the following elements:

- (a) base salary or consulting fees;
- (b) bonus payments; and
- (c) equity participation through the Stock Option Plan.

Base Salary or Consulting Fees

Base salary ranges for NEOs were initially determined upon review of salaries paid by other companies that are comparable in size to the Company.

In determining the base salary of a NEO, the Board considers the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the same industry, which were similar in size and stage of development as the Company;
- (c) the experience level of the NEO;
- (d) the amount of time and commitment which the NEO devotes to the Company; and
- (e) the NEO's overall performance and performance in relation to the achievement of corporate milestones and objectives.

Bonus Payments

Each of the NEOs, as well as all employees, are eligible for an annual bonus, payable in cash or through option-based compensation. The amount paid is based on the Board's assessment of the Company's performance for the year. Factors considered in determining bonus amounts include individual performance, financial criteria (such as cash management and share price performance) and operational criteria (such as significant acquisitions of licensed cannabis operations and the attainment of corporate milestones).

The Company did not award any bonuses during its financial year ended December 31, 2015. The Company awarded bonuses to certain NEOs and employees during its financial year ended December 31, 2016 as disclosed in the compensation table above.

Equity Participation

The Company currently offers equity participation in the Company through its Stock Option Plan.

The Company had two plans for incentive based compensation during the year ended December 31, 2016, a equity compensation plan and a rolling stock option plan, as described below.

Executive Compensation

Except for the grant of incentive share options to NEOs, there are no arrangements under which NEOs were compensated by the Company during the two most recently completed financial years for their services in their capacity as NEOs, directors or consultants.

Director Compensation

Except for C\$5,000 in person per board meeting and C\$3,000 for a telephonic board meeting paid to non-executive directors in their capacity as directors, the directors receive no cash compensation for acting in their capacity as directors of the Company. Except for the grant to directors' of Options, there are no arrangements under which directors were compensated by the Company during the two most recently completed financial years for their services in their capacity as directors.

Share-based Awards – Equity Compensation Plan

In November 2015, ICM established the ICM Plan pursuant to which ICM was authorized to issue up to the 2,000,000 Class A Units of ICM. As at December 31, 2015, ICM Unit Options to purchase 166,625 Class A Units were exercisable. In connection with the RTO and pursuant to the Share Exchange Agreement, the Company assumed all of the rights, duties and responsibilities and obligations of ICM under the terms of the ICM Plan. Effective on closing of the RTO, each outstanding ICM Unit Option that was in effect immediately prior to closing was exchanged for a stock option certificate authorizing the option holder to purchase the number of shares equal to the number of ICM Class A Units underlying such option holder's ICM Unit Options immediately prior to its cancellation.

Option-based Awards – Stock Option Plan

On March 11, 2016, the Company adopted the Stock Option Plan, a “rolling” stock option plan, pursuant to which the Board may from time to time, in its discretion, and in accordance with the CSE requirements, grant to directors, officers, employees and consultants, non-assignable and non-transferable options to purchase the common shares, provided that the number of the common shares reserved for issuance will not exceed 10% of the then issued and outstanding shares. The Options are exercisable up to 10 years from the date of grant, so long the optionee maintains the optionee's position with the Company. The number of common shares reserved for issuance to any optionee cannot exceed 5% of the then issued and outstanding shares and the number of common shares reserved for issuance to consultants cannot exceed 2% of the then issued and outstanding shares.

The minimum exercise price of an Option granted under the Stock Option Plan must not be less than the Discounted Market Price (as such term is defined in the policies of the CSE and other applicable regulatory authorities). Options granted to an optionee who does not continue as a director, officer, employee or consultant of the Company, have 30 days after such optionee ceases to be a director, officer, employee or consultant of the Company to be executed.

Actions, Decisions, Policies made after the Company's December 31, 2016 Financial Year End

On January 17, 2017, the Company granted an aggregate of 153,000 Options, exercisable at C\$2.91 per common share to certain employees and consultants of the Company. The Options vest at a rate of 12.5% quarterly beginning on March 31, 2017.

On February 6, 2017, the Company entered into a strategic relationship with The Green Solution LLC and certain of its affiliated Colorado entities (“**TGS**”). The strategic relationship includes an initial financing by the Company to TGS, consisting of an US\$7,500,000 loan facility (the “**Loan Facility**”). TGS will provide the Company with operational expertise and advise in support of the Company's investments in Massachusetts, Vermont, New Mexico and Colorado pursuant to an advisory agreement. (*See the Company's News Release dated February 6, 2017 filed under the Company's SEDAR profile at www.SEDAR.com.*)

In connection with the Loan Facility, the Company entered into an agreement with a syndicate of underwriters led by Canaccord Genuity Corp., and including Beacon Securities Limited (the “**Underwriters**”) pursuant to which the Underwriters have agreed to purchase, on a bought deal, private placement basis, C\$15,000,000 aggregate principal amount of unsecured convertible debenture (the “**Convertible Debentures**”) at a price of C\$1,000 per Convertible Debenture (the “**Offering**”). The Convertible Debentures bear interest from the date of closing at 8.0% per annum, payable semi-annually on the last day of February and August of each year. The Convertible Debentures will have a maturity date of 24 months from the Closing Date of the Offering. The Convertible Debentures will be convertible at the option of the holder into common shares of the Company at any time prior to the close of business on February 28, 2019 at a conversion price of C\$3.10 per share (the “**Conversion Price**”), subject to adjustment and acceleration in certain events. Beginning on June 29, 2017, the Company may force the

conversion of all of the principal amount of the then outstanding Convertible Debentures at the Conversion Price on 30 days prior written notice should the daily volume weighted average trading price of the common shares be greater than C\$4.50 for any 10 consecutive trading days. *(See the Company's News Releases dated February 6, 2017 and February 7, 2017 filed under the Company's SEDAR profile at www.SEDAR.com.)*

On February 7, 2017, the Company entered into a revised agreement with the Underwriters pursuant to which the size of the Offering was increased from C\$15,000,000 to C\$20,000,000.

On February 28, 2017, the Company completed the Offering for aggregate gross proceeds of C\$20 million. The Company intends to use the net proceeds of the Offering to fund the credit facility with The Green Solution LLC and for general corporate and working capital purposes.

On March 2, 2017, the Company announced the commencement of the construction on a state-of-the-art cannabis cultivation and processing facility in Holliston, Massachusetts for the benefit of Mayflower Medicinals, Inc. ("**Mayflower**"), a Massachusetts non-profit Registered Marijuana Dispensary license holder affiliated with the Company. Mayflower is controlled by an officer of ICM. As of March 31, 2017, the Company loaned (including accrued interest) \$3,062,152 to Mayflower.

The Company also provided \$500,000 to Pilgrim Rock Management, LLC ("**Pilgrim**"), a related party owned by an officer of the Company, Mr. Randy Maslow. Pilgrim was incorporated to manage the construction of the cannabis cultivation facility in Holliston, Massachusetts and a dispensary in Boston, Massachusetts in connection with the Company's investment in Mayflower.

On March 3, 2017, Bergamot Properties LLC, a wholly-owned subsidiary of ICM, acquired from DB Land Holdings, Inc. a medical and recreational dispensary in the town of Breckenridge, Colorado for total consideration of \$510,025.

On April 3, 2017, the Company announced that it obtained eligibility with The Depository Trust Company (DTC) for its common shares listed on the OTCQB. The Company's common shares began trading on the OTCQB under the symbol "ITHUF". The Company's common shares principally trade and are listed on the Canadian Securities Exchange under the symbol "IAN".

On April 4, 2017, the Company granted Options, exercisable at C\$3.10, to certain consultants and employees, to purchase up to an aggregate of 835,000 common shares. The grant includes 200,000 Options granted to TGS. All of the Options are exercisable for a period of 10 years with the following vesting periods:

- 565,000 Options vest at a rate of 12.5% on June 30, 2017, and 12.5% quarterly thereafter; and
- 270,000 Options vest at a rate of 25% on June 30, 2017, and 25% quarterly thereafter.

On April 21, 2017, the Company received payment of \$30,000 representing the balance due from a director.

On June 12, 2017, the Company announced that it has signed a binding letter of intent to acquire 100% of Valley Agriceuticals, LLC, which has received conditional approval from the New York State Department of Health to be awarded one of just ten medical marijuana licenses issued by the state. Pursuant to the terms of the binding letter of intent, the Company will acquire 100% of Gloucester Street Capital, LLC, and its wholly owned subsidiaries, Valley Agriceuticals, LLC and Valley Agriceuticals Real Estate, LLC for US \$17.3 million, which includes US\$2.3 million payable in cash and US\$15 million payable in common shares of the Company priced at US\$2.00 per share. The proposed acquisition, when closed, will expand the Company's portfolio into five regulated cannabis states in the U.S. *(See the Company's News Release dated June 12, 2017 filed under the Company's SEDAR profile at www.SEDAR.com.)*

Pension Disclosure

The Company does not have in place any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.