



**FRONTIER
WELLNESS
MANAGEMENT**

***Disclosure, Risk
Factors & Purchasers
Right of Action
Disclosure***



Disclaimer

This presentation (together with any supplements and any other information that may be furnished to prospective investors by Frontier Wellness Management Inc. (the “Company”) contains “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws (collectively, “forward-looking information”). Forward-looking information is generally identifiable by the use of the words “believes”, “may”, “plans”, “will”, “anticipates”, “intends”, “budgets”, “could”, “estimates”, “expects”, “forecasts”, “projects” and similar expressions, and the negative of such expressions. All statements in this presentation, other than statements of historical fact, are forward-looking information. Forward-looking information in this presentation includes, but is not limited to, statements concerning economic trends, the size of the market, the timing and scope of the Company’s capital expenditures, the anticipated use of proceeds, financial forecasts, and the proposed ownership allocation, proforma financial information contained on slide 20, the proposed capitalization for the Company on slide 21 and the use of proceeds of the Company on slide 22. The forward-looking information in this presentation is given as of the date hereof, and except as required by applicable securities regulation, the Company assumes no obligation to update or revise this information to reflect new events or circumstances.

The Company has based this forward-looking information on factors and assumptions about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy and financial needs, including the ability of the Company to generate cash flow from operations and obtain necessary financing on acceptable terms, general economic, financial market, regulatory and political conditions in which the Company operates, consumer interest in the Company’s products, competition, anticipated costs, government regulation of the Company’s activities and products and in areas of taxation and environmental protection, the timely receipt of any required regulatory approvals, and the Company’s ability to obtain qualified staff, equipment and services in a timely and cost efficient manner. While the Company considers these assumptions to be reasonable, these assumptions are inherently subject to significant uncertainties and contingencies. Additionally, there are known and unknown risk factors which could cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. Known risk factors include, among others, regulatory risks, the lack of a public market for the securities of the Company, the limited operating history and financial track record of the Company and the uncertainty as to revenues, reliance on key personnel, product liability, unfavourable publicity, management of growth and the difficulty in forecasting.

Securities legislation in certain provinces of Canada may provide a purchaser with remedies for rescission or damages if the offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal adviser. For further details, please see Appendix: Statutory Rights of Action.

Risk Factors

Risks Related to the Operations of Frontier Wellness Management Inc. (the “Corporation”)

Regulatory Risks

The business and activities of the Corporation will be heavily regulated in all jurisdictions where it will carry on business. The proposed activities of the Corporation will be subject to various laws, regulations and guidelines by governmental authorities, including, but not limited to, Health Canada. Laws and regulations, applied generally, grant government agencies and self-regulatory bodies broad administrative discretion over the activities of the Corporation, including the power to limit or restrict business activities as well as impose additional disclosure requirements on the Corporation’s products and services. The Corporation’s business objectives are contingent upon, in part, compliance with regulatory requirements enacted by these governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of its products and/or provision of its services. The Corporation cannot predict the time required to secure all appropriate regulatory approvals for its operations, or the extent of testing and documentation that may be required by governmental authorities. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of the Corporation.

Although the operations of the Corporation are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail the Corporation’s ability to conduct business in the jurisdictions and industries in which it currently operates or intends to operate. Amendments to current laws and regulations governing the Corporation’s current and/or intended operations, more stringent implementation thereof or other unanticipated events could have a material adverse impact on the business, financial condition and operating results of Corporation.

Regulatory Approvals, Permits and Licenses

If obtained, any licenses the Corporation or its subsidiaries obtain in Canada and/or abroad are expected to be subject to ongoing compliance and reporting requirements. Although the Corporation believes it will meet the requirements for their applications and future renewals for their licenses (if awarded), there can be no guarantee that government bodies will award or renew any applicable licenses or, if renewed, that such licenses will be renewed on the same or similar terms or that regulatory authorities will not revoke any licenses. Failure by the Corporation to comply with the requirements of their licenses or any failure to maintain such licenses would have a material adverse impact on the business, financial condition and operating results of the Corporation. Should any jurisdiction in which the Corporation considers a license important not grant, extend or renew such license or should it renew such license on different terms, or should it decide to grant more than the anticipated number of licenses to other businesses, the business, financial condition and results of the operation of the Corporation could be materially adversely affected.

Changes in Laws, Regulations and Guidelines

The Corporation’s operations will be subject to various laws, regulations, guidelines and licensing requirements in Canada, Spain and potentially other countries in Europe. The Corporation is expected to be in compliance with all such laws, any changes to such laws, regulations, guidelines and policies due to matters beyond the control of the Corporation could have a material adverse effect on the Corporation’s business, results of operations and financial condition. In particular, any amendment to or replacement of the Cannabis Act, may cause adverse effects to the Corporation’s operations.

On April 13, 2017, the Canadian Federal Government put forward proposed legislation, the Cannabis Act, outlining the framework for the legalization of adult use cannabis, as well as laws to address drug-impaired driving, protect public health and safety and prevent youth access to cannabis. The provincial and municipal governments have been given explicit authority by the Federal Government to provide regulations regarding retail and distribution, as well as the ability to alter some of the existing baselines, such as increasing the minimum age of 18 years for purchase and consumption of cannabis. On June 21, 2018, the Cannabis Act received Royal Assent and came into force on October 17, 2018. The Access to Cannabis for Medical Purposes Regulations (ACMPR) will continue to operate in tandem with the recreational regime, and will be re-evaluated within five years of the Cannabis Act coming into force. Although the impact of such changes is uncertain and highly dependent on which specific laws or regulations are changed, the impact on the Corporation should be comparable to other companies in the same business as the Corporation.

Risk Factors (continued)

In addition, the industries subject to extensive controls and regulations, which may significantly affect the financial condition of market participants. The marketability of any product may be affected by numerous factors that are beyond the Corporation's control and which cannot be predicted, such as changes to government regulations, including those relating to taxes and other government levies which may be imposed. Changes in government levies, including taxes, could reduce the Corporation's earnings and could make future capital investments or the Corporation's operations uneconomic.

Environmental Risk and Regulation

The Corporation's operations are subject to environmental regulation in the various jurisdictions in which it operates or intends to 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 the Corporation's operations.

Government approvals and permits are currently, and may in the future, be required in connection with the Corporation's operations.

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

Limited Operating History

The Corporation has a limited operating history, and is therefore 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 the Corporation will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

Volatile Valuation

The valuation of the Corporation is expected to be highly volatile and will be drastically affected by governmental and regulatory regimes and community support for the cannabis industry. The Corporation cannot fully predict the results of its operations expected to take place in the future. The results of these activities will inevitably affect the Corporation's decisions related to future operations and will likely trigger major changes in the trading price of the Corporation shares.

Risk Factors (continued)

Reliance on Management

The Corporation is currently in good standing with all high-level employees and believes that with well managed practices it will remain in good standing. The success of the Corporation will be dependent upon the ability, expertise, judgment, discretion and good faith of its senior management and key personnel. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Corporation's business, operating results or financial condition.

In addition, the Corporation's future success depends on its continuing ability to attract, develop, motivate and retain highly qualified and skilled employees. Qualified individuals are in high demand, and the Corporation may incur significant costs to attract and retain them.

Insurance and Uninsured Risks

The Corporation's business is subject to a number of risks and hazards generally, including adverse environmental conditions, accidents, labour disputes and changes in the regulatory environment. Such occurrences could result in damage to assets, personal injury or death, environmental damage, delays in operations, monetary losses and possible legal liability.

Although the Corporation maintains and intends to continue to maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations. The Corporation may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards encountered in the operations of the Corporation is not generally available on acceptable terms. The Corporation might also become subject to liability for pollution or other hazards which may not be insured against or which the Corporation may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Corporation to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

The Corporation Will Be an Entrant Engaging in a New Industry

The cannabis industry is relatively new. There can be no assurance that an active and liquid market for the common shares of the Corporation will develop and shareholders may find it difficult to resell their Common Shares. Accordingly, no assurance can be given that the Corporation will be successful in the long term.

Difficulty to Forecast

The Corporation must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the cannabis industry in Canada and Spain. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Corporation.

Additional Financing

There is no guarantee that the Corporation will be able to execute on its business strategy. The continued development of the Corporation may require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of current business strategy or the Corporation ceasing 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 favourable to the Corporation. In addition, from time to time, the Corporation may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed wholly or partially with debt, which may temporarily increase the Corporation's 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 the Corporation to obtain additional capital and to pursue business opportunities, including potential acquisitions.

Risk Factors (continued)

Liquidity

The Corporation cannot predict at what prices the Corporation's Common Shares will trade, and there can be no assurance that an active trading market in the Corporation will develop or be sustained. There is a significant liquidity risk associated with an investment in the Corporation.

Dilution

The Corporation may issue equity securities to finance its activities, including future acquisitions. If the Corporation was to issue Common Shares existing holders of such shares may experience dilution in their holdings. Moreover, when the Corporation's intention to issue additional equity securities becomes publicly known, the Corporation's share price may be adversely affected.

Litigation

The Corporation may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Corporation becomes involved be determined against the Corporation such a decision could adversely affect the Corporation's ability to continue operating and the market price for the Common Shares and could use significant resources. Even if the Corporation is involved in litigation and wins, litigation can redirect significant resources of the Corporation.

Risks Related to the Cannabis Industry

Legislative or Regulatory Reform

The Corporation's operations will be subject to a variety of laws, regulations, guidelines and policies relating to the manufacture, import, export, management, packaging/labeling, advertising, sale, transportation, storage and disposal of 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 the Corporation's management, the Corporation is currently in compliance with all such laws, changes to such laws, regulations and guidelines due to matters beyond the control of the Corporation, may cause adverse effects to its operations and financial condition.

The recreational and medical cannabis industries are relatively new markets and the Corporation anticipates that such regulations will be subject to change as the Federal Government monitors Licensed Producers.

Unfavourable Publicity or Consumer Perception

Management of the Corporation believes the cannabis industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of the medical cannabis produced. Consumer perception of the Corporation's proposed products may be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of cannabis products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favourable to the cannabis market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for the Corporation's proposed products and the business, results of operations, financial condition and cash flows of the Corporation. The Corporation's dependence upon 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 a material adverse effect on the Corporation, the demand for the Corporation's proposed products, and the business, results of operations, financial condition and cash flows of the Corporation.

Risk Factors (continued)

Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of cannabis in general, or the Corporation's proposed 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 appropriately or as directed.

The Corporation may not be able to develop its brands, products and services, which could prevent it from ever becoming profitable

If the Corporation cannot successfully develop, manufacture, distribute and provide its brands, products and services (as applicable) or if the Corporation experiences difficulties in the development process, such as capacity constraints, quality control problems or other disruptions, the Corporation may not be able to develop successful brands, market-ready commercial products at acceptable costs, or provide sufficient services, which would adversely affect the Corporation's ability to effectively enter the market. A failure by the Corporation to achieve a low-cost structure through economies of scale or improvements in its manufacturing processes would have a material adverse effect on the Corporation's commercialization plans and the Corporation's business, prospects, results of operations and financial condition.

Product Liability

If licensed as a distributor of products designed to be ingested by humans, the Corporation faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant loss or injury. In addition, the sale of the Corporation's products would involve 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 the Corporation's products alone or in combination with other medications or substances could occur. The Corporation may be subject to various product liability claims, including, among others, that the Corporation's products caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances. A product liability claim or regulatory action against the Corporation could result in increased costs, could adversely affect the Corporation's reputation with its clients and consumers generally, and could have a material adverse effect on the results of operations and financial condition of the Corporation. There can be no assurances that the Corporation 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 the Corporation's potential products.

Product Recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any of the Corporation's products are recalled due to an alleged product defect or for any other reason, the Corporation could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Corporation may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although the Corporation has detailed procedures in place for testing its products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of the Corporation's significant brands were subject to recall, the image of that brand and the Corporation could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for the Corporation's products and could have a material adverse effect on the results of operations and financial condition of the Corporation. Additionally, product recalls may lead to increased scrutiny of the Corporation's operations by Health Canada or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Risk Factors (continued)



Competition

There is potential for the Corporation to face intense competition from other companies, some of which have longer operating histories and more financial resources, industry, manufacturing and marketing experience than the Corporation. Additionally, there is potential that the industry will undergo consolidation, creating larger companies that may have increased geographic scope and other economies of scale. Increased competition by larger and better-financed competitors with geographic and other structural advantages could materially and adversely affect the proposed business, financial condition and results of operations of the Corporation. To date, the application process to secure a license under the Cannabis Act has remained rigorous and highly competitive. Because of the early stage of the industry in which the Corporation operates, the Corporation expects to face additional competition from new entrants.

If the number of users of medical and/or recreational cannabis in Spain, Canada, or any other jurisdiction in which the Corporations operates increases, the demand for products will increase and the Corporation expects that competition will become more intense, as current and future competitors begin to offer an increasing number of diversified products. To remain competitive, the Corporation will require a continued high level of investment in research and development, marketing, sales and client support. The Corporation may not have sufficient resources to maintain research and development, marketing, sales and client support efforts on a competitive basis which could materially and adversely affect the business, financial condition and results of the Corporation.

Client Acquisition and Retention

The Corporation's success will depend to a substantial extent on the willingness of new customers to try or migrate to its service and/or products. If customers do not perceive the benefits of the Corporation's products and/or services, then the market for these products and/or services may not develop at all, or it may develop more slowly than expected, either of which would significantly adversely affect operating results. In addition, as a new company in this competitive market, the Corporation has limited insight into trends that may develop and affect its business. The Corporation may make errors in predicting and reacting to relevant economic and currency-related trends, which could harm its business.

There are many factors which could impact the Corporation's ability to attract and retain customers, including but not limited to, the Corporation's ability to provide desirable and effective products and/or services and the Corporation's ability to successfully implement a customer-acquisition plan.

Acquisitions and Strategic Partnerships

The Corporation's business plan contemplates the completion of several acquisitions, including of Medcan, and the formation of strategic partnerships or relationships that may not necessarily materialize in the course of the Corporation's business. The Corporation has not yet completed the acquisitions of the businesses discussed in this presentation, and such acquisitions may or may not be completed, or the terms of such acquisitions could change prior to completion.

Market Unpredictability

Because the cannabis industry (including the hemp industry) is in an early stage with uncertain boundaries, there is a lack of information about comparable companies available for potential investors to review in deciding about whether to invest in the Corporation and, few, if any, established Corporations whose business model the Corporation can follow or upon whose success the Corporation can build. Accordingly, investors will have to rely on their own estimates in deciding about whether to invest in the Corporation. There can be no assurance that the Corporation's estimates are accurate or that the market size is sufficiently large for its business to grow as projected, which may negatively impact its financial results. The Corporation regularly purchases and follows market research.

Appendix: Purchaser's Right of Action

Securities legislation in certain of the Canadian provinces provides purchasers of securities pursuant to an offering memorandum (such as this Investor Presentation) with a remedy for damages or rescission, or both, in addition to any other rights they may have at law, where the offering memorandum and any amendment to it contains a "Misrepresentation". Where used herein, "Misrepresentation" means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading in light of the circumstances in which it was made. These remedies, or notice with respect to these remedies, must be exercised or delivered, as the case may be, by the purchaser within the time limits prescribed by applicable securities legislation.

Ontario

Section 130.1 of the Securities Act (Ontario) provides that every purchaser of securities pursuant to an offering memorandum (such as this Investor Presentation) shall have a statutory right of action for damages or rescission against the issuer and any selling security holder in the event that the offering memorandum contains a Misrepresentation. A purchaser who purchases securities offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied upon the Misrepresentation, a right of action for damages or, alternatively, while still the owner of the securities, for rescission against the issuer and any selling security holder provided that:

- (a) if the purchaser exercises its right of rescission, it shall cease to have a right of action for damages as against the issuer and the selling security holders, if any;
- (b) the issuer and the selling security holders, if any, will not be liable if they prove that the purchaser purchased the securities with knowledge of the Misrepresentation;
- (c) the issuer and the selling security holders, if any, will not be liable for all or any portion of damages that it proves do not represent the depreciation in value of the securities as a result of the Misrepresentation relied upon; and
- (d) in no case shall the amount recoverable exceed the price at which the securities were offered. Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than:
 - (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
 - (b) in the case of an action for damages, the earlier of:
 - i. 180 days after the date that the purchaser first had knowledge of the facts giving rise to the cause of action; or
 - ii. three years after the date of the transaction that gave rise to the cause of action. This Investor Presentation is being delivered in reliance on the exemption from the prospectus requirements contained under section 73.3 of the Securities Act (Ontario) (the "accredited investor exemption"). The rights referred to in section 130.1 of the Securities Act (Ontario) do not apply in respect of an offering memorandum (such as this Investor Presentation) delivered to a prospective purchaser in connection with a distribution made in reliance on the accredited investor exemption if the prospective purchaser is:
 - (a) a Canadian financial institution or a Schedule III bank (each as defined in NI 45-106);
 - (b) the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada); or
 - (c) a subsidiary of any person referred to in paragraphs (a) and (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.