March 28, 2022

Aleafia Health Inc.,
Emblem Cannabis Corporation,
Aleafia Farms Inc.
85 Basaltic Road
Concord, ON L4K 1G4

Attention: [redacted]

Dear Mr. [redacted]:

Re: NE SPC II LP (the "**Lender**") credit facilities in favour of Aleafia Health Inc., Emblem Cannabis Corporation and Aleafia Farms Inc. (collectively, the "**Borrower**") pursuant to a credit agreement dated December 24, 2021 (the "**Credit Agreement**")

Reference is made to the Credit Agreement and all capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Credit Agreement.

Pursuant to section 5.1(x) of the Credit Agreement, the Borrower covenanted in favour of the Lender to maintain a Current Ratio of not less than $15,000,000 for Aleafia Health. As you are aware, based on the reporting for the periods December and January provided by the Borrower to the Lender, the Current Ratio of Aleafia Health for the period ended January 2022 is ($3,017,000) and the Borrower is in breach of this covenant and anticipates to remain in breach of this covenant. In addition, based on the information provided by the Borrower to the Lender in respect of the inventory write-down, crop volumes, delivery issues, GM pressure and timing of equity injection, the Lender has determined that each of these changes individually, and also in the aggregate, constitute a material adverse change resulting in a Material Adverse Effect, which is an Event of Default. Although each of the forgoing breaches are not being waived by the Lender, the Lender does not intend to take any action at this time. Notwithstanding the foregoing, the Lender reserves all of its rights in respect of these breaches and in respect of any other breach or default under the Credit Agreement or any other documents executed and delivered in connection therewith to and in favour of the Lender.

Further to our recent conversations, we confirm that you have asked the Lender to amend the Current Ratio covenant and to make an advance of $500,000 under the Revolving Facility notwithstanding the breaches and the Borrower's failure to satisfy certain conditions precedent under the Credit Agreement. In this regard, we confirm that the Lender has agreed to amend the terms and conditions of the Credit Agreement as follows:

1. From April 30, 2022 and thereafter, the definition of "Current Assets" in Section 1.1(y) of the Credit Agreement shall be deleted and replaced with the following:

   "(y) "Current Assets" means all cash and cash equivalents, marketable securities, trade and other receivables, tax receivables, inventory and biological assets and prepaid expenses of Aleafia Health on a consolidated basis;"

2. For the period between April 30, 2022 to June 29, 2022 (inclusive) only, Section 5.1(x) of the Credit Agreement shall be as follows:

"(x) Current Ratio: Aleafia Health will maintain a Current Ratio of not less than $12,000,000, to be tested monthly."

3. Notwithstanding the breaches and the Borrower's failure to satisfy the conditions precedent in Sections 2.8(d), (j), (k) (l) and (v) of the Credit Agreement, the Lender has agreed to make up to $500,000 available under the Revolving Facility for 30 days commencing from the date hereof, subject to the following conditions:

(a) Each Borrowing Notice received by the Lender supports an availability of up to $500,000.

(b) The availability of up to $500,000 under the Revolving Facility shall be terminated forthwith without further notice by the Lender and the Lender shall not be obligated to make any further Advances under the Revolving Facility to the Borrower if the Borrower fails to deliver the following to the Lender:

(i) within 30 days of the date hereof:

(A) evidence of investment of not less than $8,000,000 in Aleafia Health satisfactory to the Lender in its sole discretion;

(B) compliance with Current Ratio as of April 30, 2022;

(C) the Blocked Account satisfying the condition precedent in Section 2.8(d) is established and operational; and

(ii) within 60 days of the date hereof, an agreement with the holders of the Subordinated Indebtedness amending the terms of the Subordinated Indebtedness satisfactory to the Lender in its sole discretion, and, without limiting the discretion of the Lender, such agreement shall include no payments of principal or interest other than payment of PIK interest so long as any obligations to the Lender are outstanding, extension of the maturity date beyond the maturity date of the facilities extended under the Credit Agreement, no amendment of the amended terms without the prior written consent of the Lender and simultaneous delivery of notices of default to the Lender;

collectively, the "**Revolving Facility Conditions**".

(c) It shall be an Event of Default if the Borrower fails to satisfy the Revolving Facility Conditions to the Lender within 30 days or 60 days of the date hereof, as the case may be.

(d) Upon satisfaction of the Revolving Facility Conditions and subject to satisfaction of the conditions in Section 2.9 of the Credit Agreement (save and except Section 2.9(f)), and subject further to there being no further change or changes, individually, or in the aggregate, constituting a material adverse change resulting in a Material Adverse Effect, the Lender shall make the full amount of the Revolving Facility Borrowing Limit available to the Borrower.

4. An amendment fee of [redacted] is payable by the Borrower to the Lender, which fee is fully earned as of the date hereof and shall be added to the Loan [redacted]

[Redacted - Confidential and Sensitive Information] and secured under the Security Documents.

5. The Borrower shall be responsible for all legal fees and disbursements incurred by the Lender in connection with the preparation and negotiation of this Agreement.

6. This Agreement is supplemental to and shall be read with and be deemed to be part of the Credit Agreement, which shall be deemed to be amended *mutatis mutandis* as herein provided. Any reference to the Credit Agreement and any agreements or documents entered into in connection with the Credit Agreement shall mean the Credit Agreement as amended hereby and all such agreements and documents are also hereby amended *pro tanto* to give effect to this Agreement.

7. All the terms and conditions of the Credit Agreement, except insofar as the same are amended by the express provisions of this Agreement, are confirmed and ratified in all respects, shall survive and shall not merge with or be extinguished by the execution and delivery of this Agreement and shall hereafter continue in full force and effect, as amended.

8. This Agreement may be executed in any number of separate counterparts by any one or more of the parties thereto, and all of said counterparts taken together shall constitute one and the same instrument. Delivery of an executed counterpart of this Agreement by telecopier, PDF or by other electronic means shall be as effective as delivery of a manually executed counterparts.

9. The Borrower and the Guarantor agree that they will execute such further assurances with respect to this Agreement and the Credit Agreement as may be required to evidence the true intent and meaning of this Agreement.

10. This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns.

11. This Agreement shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable herein.

Provided that the foregoing meets with your approval, please acknowledge the foregoing by executing where indicated below and returning a PDF copy of this Agreement to the Lender which shall be as effective as delivery of a manually original executed counterpart.

NE SPC II LP, by its general partner
NEXT EDGE GENERAL PARTNER (ONTARIO) INC.

Per: [redacted]
Name: [Redacted - Personal Informat
Title: Director

I have authority to bind the Corporation

The undersigned, Borrower, acknowledge the Defaults and acknowledge and accept the terms and conditions of this Agreement this 31 day of March, 2022.

ALEAFIA HEALTH INC.

Per: [redacted]
Name: Tricia Symmes
Title: Chief Executive Officer

Per: [redacted]
Name: Matthew Sale
Title: Chief Financial Officer

We have authority to bind the Borrower.

EMBLEM CANNABIS CORPORATION

Per: [redacted]
Name: Tricia Symmes
Title: Chief Executive Officer

Per: [redacted]
Name: Matthew Sale
Title: Authorized Signatory

We have authority to bind the Borrower.

ALEAFIA FARMS INC.

Per: [redacted]
Name: Tricia Symmes
Title: President

Per: [redacted]
Name: Matthew Sale
Title: Authorized Signatory

We have authority to bind the Borrower.

The undersigned, Guarantor, acknowledge the Defaults and acknowledge and accept the terms and conditions of this Agreement this 31 day of March, 2022.

EMBLEM CORP.

Per: [redacted]
Name: Tricia Symmes
Title: President

Per: [redacted]
Name: Matthew Sale
Title: Authorized Signatory

We have authority to bind the corporation.

CANABO MEDICAL CORPORATION

Per: [redacted]
Name: [redacted]
Title: President

Per: [redacted]
Name: Matthew Sale
Title: Authorized Signatory

We have authority to bind the corporation.

ALEAFIA INC.

Per: [redacted]
Name: Tricia Symmes
Title: President

Per: [redacted]
Name: Matthew Sale
Title: Authorized Signatory

We have authority to bind the corporation.