



February 20, 2019

To: The holders of Emblem Warrants (as defined in Schedule A hereto)

And to: Computershare Trust Company of Canada (as warrant agent under the warrant indentures referred to in item (b) of Schedule A hereto) (“Computershare”)

Subject: Proposed Arrangement involving Aleafia Health Inc.

Reference is made to the notice and certification provisions in the warrant certificates or warrant indentures, as applicable, as further set out in Schedule B hereto. This letter and the Circular (as defined below) have been delivered to the holders of Emblem Warrants and Computershare, as applicable, pursuant to and in accordance with such provisions.

As announced by Emblem Corp. (“**Emblem**”) in its press release on December 19, 2018 (the “**Press Release**”), Emblem has entered into an arrangement agreement (the “**Arrangement Agreement**”) with Aleafia Health Inc. (“**Aleafia**”) pursuant to which it is proposed that Aleafia will acquire all of the issued and outstanding shares of Emblem (the “**Transaction**”) by way of a plan of arrangement under the *Canada Business Corporations Act* (the “**Plan of Arrangement**”) pursuant to which the holders of common shares of Emblem will receive 0.8377 of a common share of Aleafia (the “**Share Consideration**”) for each Emblem common share held. As part of the Plan of Arrangement, Emblem will amalgamate with 112088578 Canada Inc., a wholly-owned subsidiary of Aleafia, to form Amalco (the “**Amalgamation**”). Emblem will continue its operations as a wholly-owned subsidiary of Aleafia. It is anticipated that closing of the Transaction will occur on or before March 31, 2019, subject to the satisfaction of certain conditions precedent. As a result of the completion of the Transaction, Aleafia will become the sole shareholder of Emblem and the new parent company of Emblem and its subsidiaries.

A copy of Emblem’s management information circular dated January 30, 2018 (the “**Circular**”), which contains details of the Transaction (including the treatment of Emblem Warrants), was previously delivered to you. As described in the Circular, under the terms of the Arrangement Agreement, immediately following the closing of the Transaction until expiry of the Emblem Warrants (in accordance with their respective terms), Aleafia will assume all of the covenants and obligations of Emblem under the Emblem Warrants and in accordance with the terms and conditions of the respective warrant certificates or warrant indentures, do all things necessary (including entering into supplemental indentures in forms satisfactory to the applicable warrant agent) to provide for the application of the provisions set forth in such warrant certificates or warrant indentures with respect to the rights and interests of the holders thereof, such that upon exercise an Emblem Warrant will entitle the holder thereof to receive 0.8377 of a common share in the capital of Aleafia, subject to adjustment in accordance with the Arrangement Agreement, and the Emblem Warrants will otherwise be valid and binding obligations of Aleafia entitling the holders thereof, as against Aleafia, to all the rights of such holders as set out in their respective warrant certificates or warrant indentures, as the case may be.

Adjustments to the Emblem Warrants, as a result of the Plan of Arrangement (including the Amalgamation), are contemplated by the provisions in the warrant certificates or warrant indentures, as applicable, as further set out

in Schedule B. Each holder of Emblem Warrants and Computershare, as applicable, has been given notice (and Emblem hereby certifies) that following the completion of the Plan of Arrangement (including the Amalgamation) upon exercise of an Emblem Warrant, a holder is entitled to receive, and shall accept in lieu of the Emblem common share to which such holder was theretofore entitled upon exercise of each Emblem Warrant and for the same exercise price, subject to adjustment, if applicable, in accordance with the terms of the applicable warrant certificate or warrant indenture, the Share Consideration, subject to adjustment, if applicable, in accordance with the terms of the applicable warrant certificate or warrant indenture.

Where an Emblem Warrant is currently governed by a warrant indenture, Amalco, Aleafia and Computershare will enter into a supplemental warrant indenture in order to give effect to the foregoing adjustments (which supplemental indenture will be available under both Emblem's and Aleafia's SEDAR profiles at www.sedar.com). The supplemental warrant indentures shall have attached thereto a new exercise form to be completed by holders on exercise of their Emblem Warrants.

Where an Emblem Warrant is currently governed solely by a warrant certificate, it is currently contemplated that after completion of the Plan of Arrangement (including the Amalgamation), Amalco will forward new documentation to each of the holders thereof.

Copies of the Press Release, Arrangement Agreement and Circular (including the Plan of Arrangement) are also available under Emblem's profile on SEDAR at:

<https://www.sedar.com/DisplayCompanyDocuments.do?lang=EN&issuerNo=00031450>.

Regards,

EMBLEM CORP.

(Signed) "*Daniel Milliard*"

Dan Milliard
Chairman of the Board and Director

Schedule A

“Emblem Warrants” means the outstanding warrants to purchase Emblem common shares issued under:

- (a) the warrant certificates (as may have been re-registered from time to time) dated: (i) December 6, 2016; (ii) December 12, 2016; and (iii) December 13, 2016;
- (b) the following warrant indentures: (i) the amended and restated warrant indenture dated as of January 29, 2015, as supplemented by a supplemental warrant indenture dated as of November 5, 2015, as further supplemented by a second supplemental indenture effective December 6, 2016; (ii) the warrant indenture dated December 6, 2016; (iii) the warrant indenture dated January 31, 2017; (iv) the warrant indenture dated November 16, 2017; and (v) the warrant indenture dated February 2, 2018; and
- (c) the outstanding broker warrants to purchase Common Shares issued under: (i) the compensation option certificates dated November 16, 2017; and (ii) the compensation option certificates dated February 2, 2018.

Schedule B

For Emblem Warrants issued under the warrant certificates (as may have been re-registered from time to time) dated: (i) December 6, 2016; (ii) December 12, 2016; and (iii) December 13, 2016:

Under the applicable adjustment provisions in these warrant certificates, the Plan of Arrangement/ Amalgamation will constitute a Capital Reorganization (section 7(d) thereof).

Notice has been provided pursuant to section 12 of these warrant certificates, in accordance with the notice provisions in section 17 of these warrant certificates.

For Emblem Warrants issued under the amended and restated warrant indenture dated as of January 29, 2015, as supplemented by a supplemental warrant indenture dated as of November 5, 2015, as further supplemented by a second supplemental indenture effective December 6, 2016:

Under the applicable adjustment provisions in this warrant indenture, the Plan of Arrangement/ Amalgamation will constitute a Capital Reorganization (section 2.14(4) thereof).

Notice and certification has been provided pursuant to section 2.17 of this warrant indenture, in accordance with the notice provisions in section 9.01 of this warrant indenture.

For Emblem Warrants issued under the warrant indenture dated December 6, 2016:

Under the applicable adjustment provisions in this warrant indenture, the Plan of Arrangement/ Amalgamation will constitute a Capital Reorganization (section 4.1(d) thereof).

Notice has been provided pursuant to section 4.7 of this warrant indenture, in accordance with the notice provisions in section 10.1 of this warrant indenture.

For Emblem Warrants issued under the warrant indenture dated January 31, 2017:

Under the applicable adjustment provisions in this warrant indenture, the Plan of Arrangement/ Amalgamation will constitute a Capital Reorganization (section 4.1(d) thereof).

Notice has been provided pursuant to section 4.7 of this warrant indenture, in accordance with the notice provisions in section 10.1 of this warrant indenture.

For Emblem Warrants issued under the warrant indenture dated November 16, 2017:

Under the applicable adjustment provisions in this warrant indenture, the Plan of Arrangement/ Amalgamation will constitute a Capital Reorganization (section 4.1(d) thereof).

Notice has been provided pursuant to section 4.7 of this warrant indenture, in accordance with the notice provisions in section 10.1 of this warrant indenture.

For Emblem Warrants issued under the warrant indenture dated February 2, 2018:

Under the applicable adjustment provisions in this warrant indenture, the Plan of Arrangement/ Amalgamation will constitute a Capital Reorganization (section 4.1(d) thereof).

Notice has been provided pursuant to section 4.7 of this warrant indenture, in accordance with the notice provisions in section 10.1 of this warrant indenture.

For Emblem Warrants issued under the outstanding broker warrants to purchase Common Shares issued under: (i) the compensation option certificates dated November 16, 2017; and (ii) the compensation option certificates dated February 2, 2018:

Under the applicable adjustment provisions in these compensation option certificates, the Amalgamation will constitute a Capital Reorganization (section 3(2)(d)(ii) thereof).

Notice has been provided pursuant to section 3(4) of these compensation option certificates, in accordance with the notice provisions in section 8 of these compensation option certificates.