



October 26th, 2018

Elmcliffe Investments [No. 2] Inc.

Attention: Eric Paul

Dear Eric:

Re: National Access Cannabis Corp. – Master Investment Agreement

National Access Cannabis Corp., a corporation incorporated under the laws of the Province of Alberta (the “**Company**”) and listed on the TSX Venture Exchange (“**TSXV**”), is offering for sale up to \$60,000,000 of common shares of the Company (“**Common Shares**”) at a price per Common Share as determined in accordance with Section 2 herein (the “**Offering**”). This master investment agreement (the “**Master Investment Agreement**”) and the form of subscription agreement set out as Schedule A hereto (the “**Subscription Agreement**”) and with the Master Investment Agreement, the “**Agreement**”), is intended to set out the terms under which Elmcliffe Investments [No. 2] Inc. (the “**Subscriber**”) has, subject to any provincial or federal act or regulations, order, policy or ruling applicable to the retail sale by the Corporation or the Subscriber of cannabis and cannabis related products in Canada (collectively “**Applicable Retail Laws**”), agreed to participate in the Offering and subscribe for an aggregate amount of \$15,000,000 of Common Shares.

In consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement agree as follows:

1. Subscription Commitment.

- (a) Subject to the terms and conditions of the Subscription Agreement, the Subscriber hereby agrees to participate in the Offering and execute and deliver to the Company a Subscription Agreement providing for a subscription of \$5,000,000 of Common Shares at a price per share as determined in Section 2(a) of this Master Investment Agreement (the “**First Subscription**”). The First Subscription is anticipated to occur on or about October 11, 2018, or such other date or dates as may be determined by the Company and the Subscriber (the “**First Closing Date**”).
- (b) Subject to the terms and conditions of the Subscription Agreement and provided the Company delivers a First Milestone Notice (as defined below) pursuant to Section 3 of this Master Investment Agreement, if permissible under Applicable Retail Laws, and the Subscriber agrees with the content of the First Milestone Notice, the Subscriber hereby agrees to purchase and subscribe for \$5,000,000 of additional Common Shares at a price per share as determined in Section 2(b) of this Master Investment Agreement (the “**Second Subscription**”). The Subscriber agrees to complete the Second Subscription within 10 business days of the date of the First Milestone Notice, or such other date or dates as may be agreed by the Company and the Subscriber (the “**Second Closing Date**”). In the event that a First Milestone Notice is not delivered on or before October 26, 2019, then the Subscriber shall be released from its obligations to complete the Second Subscription.

- (c) Subject to the terms and conditions of the Subscription Agreement and provided the Company delivers a Second Milestone Notice (as defined below) pursuant to Section 3 of this Master Investment Agreement, if permissible under Applicable Retail Laws, and the Subscriber agrees with the content of the Second Milestone Notice, the Subscriber hereby agrees to purchase and subscribe for \$5,000,000 of additional Common Shares at a price per share as determined in Section 2(c) of this Master Investment Agreement (the “**Third Subscription**”). The Subscriber agrees to complete the Third Subscription within 10 business days of the date of the Second Milestone Notice, or such other date or dates as may be agreed by the Company and the Subscriber (the “**Third Closing Date**”, and each of the First Closing Date, Second Closing Date and Third Closing Date, a “**Closing Date**”). In the event that a Second Milestone Notice is not delivered on or before October 26, 2020, then the Subscriber shall be released from its obligations to complete the Second Subscription.
- (d) Subscriptions by the Subscriber are subject to rejection or allotment by the Company in whole or in part, and notwithstanding anything in this Agreement, the Company is permitted to reject and return any portion of the First Subscription, Second Subscription or Third Subscription to the Subscriber.
- (e) Under no circumstance will the Subscriber be required to proceed with the Second Subscription or Third Subscription if entering into such subscriptions would be contrary to Applicable Retail Laws or would otherwise cause for the Company or the Subscriber to be in violation of Applicable Retail Laws.

2. Offering Pricing.

- (a) The price per Common Share issued under the First Subscription shall be equal to the 20 day volume weighted average trading price of the Common Shares on the TSXV for the last 20 trading days preceding the date set out in the Subscription Agreement (the “**First VWAP Calculation Period**”).
- (b) The price per Common Share issued under the Second Subscription shall be equal to the 15 day volume weighted average trading price of the Common Shares on the TSXV for the last 15 trading days of the calendar month immediately preceding the date of the First Milestone Notice (the “**Second VWAP Calculation Period**”).
- (c) The price per Common Share issued under the Third Subscription shall be equal to the 15 day volume weighted average trading price of the Common Shares on the TSXV for the last 15 trading days of the calendar month immediately preceding the date of the Second Milestone Notice (the “**Third VWAP Calculation Period**”, and each of the First VWAP Calculation Period, Second VWAP Calculation Period and Third VWAP Calculation Period, a “**VWAP Calculation Period**”).
- (d) If a Closing Date or any one day or more than one day in the applicable VWAP Calculation Period falls within a period of time during which the Subscriber cannot subscribe for Common Shares due to applicable securities laws or policies of the Company in respect of insider trading (a “**Blackout Period**”), if applicable, then the Common Shares to be issued to the Subscriber on a Closing Date will instead be issued on a date which is within, but not later than, 10 business days after the expiry date of the Blackout Period (the “**Blackout Issuance Date**”), and the price per Common Share will be equal to the trading price of the Common Shares on the TSXV for number of days equal to the applicable VWAP Calculation Period immediately preceding the Blackout Issuance Date, without impairing the rights and entitlements of the parties under this Agreement in any way.

3. Milestone Notices.

- (a) At any time after the Company has been granted approval for an aggregate of 50 cannabis retail locations from the applicable regulatory authorities in the Provinces of Canada (the “**First**

Milestone") but before October 26, 2019, the Company may deliver a written notice to the Subscriber (the "**First Milestone Notice**"). The First Milestone Notice shall include a certification from a senior officer of the Company that the First Milestone has been completed.

- (b) At any time after the Company has been granted approval for an aggregate of 100 cannabis retail locations from the applicable regulatory authorities in the Provinces of Canada (the "**Second Milestone**") but before October 26, 2020, the Company may deliver a written notice to the Subscriber (the "**Second Milestone Notice**"). The Second Milestone Notice shall include a certification from a senior officer of the Company that the Second Milestone has been completed.

4. **Satisfaction of Subscription Price.** On each Closing Date, the Subscriber shall deliver the applicable subscription proceeds to the Company by certified cheque, money order, wire transfer or other method acceptable to the Company, and the Company shall issue to the Subscriber one or more certificates representing the Common Shares so purchased, registered in the name of the Subscriber.

5. **Conditions to Obligations of the Subscriber.** Notwithstanding any other provision of this Master Investment Agreement, the Company shall not be obligated to complete the sale and delivery of, and the Subscriber shall not be obligated to purchase, any Common Shares specified in either the First Milestone Notice or the Second Milestone Notice, if at the time of delivery of such notice, or at any time during the period from the date of such notice to the Closing Date specified in such notice:

- (a) an applicable court or regulatory authority has issued an order having the effect of "cease trading" the Common Shares to be issued hereunder or preventing the trading in such Common Shares;
- (b) the issuance of Common Shares specified in the First Milestone Notice or Second Milestone Notice, as applicable, would otherwise violate applicable law;
- (c) the provisions of the Agreement are not in compliance with Bill 36 in Ontario in all respects; or
- (d) there shall occur any material change which in the sole opinion of the Subscriber, acting reasonably, would be expected to have a material adverse effect on the Corporation, including but not limited to, an adverse ruling or decision with respect to the statement of claim commenced by Auxly Cannabis Group Inc. that would be expected to have a material adverse effect on the Corporation.

In addition, all obligations of the Company and the Subscriber hereunder shall be deemed to be terminated effective at 12:01 a.m. (Calgary time) on October 26, 2020.

6. **Covenants of the Subscriber.**

- (a) On or prior to the First Closing Date and subject to Applicable Retail Laws, the Subscriber hereby covenants, acknowledges and agrees to execute and deliver to the Company the Subscription Agreement duly executed for the First Subscription, and any agreements, instruments or related documents as may be reasonably requested by the Company.
- (b) On or prior to each of the Second Closing Date or the Third Closing Date, as applicable, and subject to Applicable Retail Laws, the Subscriber hereby covenants, acknowledges and agrees to execute and deliver to the Company: (i) a certificate to the effect that all of the representations and warranties made by the Subscriber under the Subscription Agreement were true and correct when made and, except as a result of transactions contemplated hereby, are true and correct on and as of the applicable Closing Date as if made of such date, such certificate to be in a form satisfactory to the Company, acting reasonably; and (ii) any agreements, instruments or related documents as may be reasonably requested by the Company.

7. **Covenants of the Company.**



Per: _____
Michael Best, Chief Financial Officer

The undersigned hereby acknowledges receipt of the foregoing letter and acknowledges its agreement with, and its intention to be bound by, the terms contained herein, as of the date hereof.

ELMCLIFFE INVESTMENTS [NO. 2] INC.



Per: _____
Peter Aceto

SCHEDULE A