



HARVEST ONE

INSIDER TRADING POLICY

Effective as of June 10, 2019

HARVEST ONE CANNABIS INC.

INSIDER TRADING POLICY

INTRODUCTION

Harvest One Cannabis Inc. (“the Company” or “Harvest One”) as a public company has internal guidelines to control transactions involving its securities by all Harvest One team members to ensure Harvest One team members are aware of and comply with their legal obligations and the Company’s policy with respect to “insider trading” and “tipping”. “Harvest One” as used in this Policy, means Harvest One Cannabis Inc. and its subsidiaries from time to time.

We expect every Harvest One team member to fully comply with all applicable legal requirements and this Policy. The objectives of this Policy are to:

- educate Harvest One team members about their legal obligations with respect to insider trading and tipping; and
- foster and facilitate compliance with applicable laws to prevent transactions by Harvest One team members that would not be in full compliance with the legal requirements.

This Policy should be viewed as the minimum criteria for compliance with insider trading and tipping laws. Additional guidance should be sought from the Chief Executive Officer where any uncertainty exists regarding your legal obligations or any contemplated transaction.

Scope of this Policy

This Policy applies to all Harvest One team members.

LEGAL BACKGROUND

1. Insider Trading and Tipping

As a Harvest One team member, you are considered to be in a “special relationship” with Harvest One (see Section 2(h)) under securities laws. Because of that,

- (a) Securities laws prohibit you from trading in Harvest One securities with knowledge of a material fact or material change (see Sections 2(d) and 2(e)) related to Harvest One that has not been generally disclosed. You are also prohibited from recommending or encouraging another person (such as a relative or friend) to trade in Harvest One securities when you have knowledge of an undisclosed material fact or material change. These prohibited activities are commonly known as “insider trading”.
- (b) Securities laws also prohibit you from trading in (or recommending or encouraging another person to trade in) the securities of any public company other than Harvest One when you have knowledge of a material fact or material change regarding that other public company that has not been generally disclosed, and that knowledge was gained:

- (i) during the course of your work at Harvest One;
 - (ii) because you are in a “special relationship” with that other public company;
or
 - (iii) because you were “tipped” by another person who was in a “special relationship” with that other public company.
- (c) Except in very limited circumstances, securities laws prohibit you from informing any other person of a material fact or material change about Harvest One or about any public company referred to in Section 1(b) above (for example, spouses and close friends), before the material fact or material change has been generally disclosed. This prohibited activity is commonly known as “tipping.” Both you and the person who receives the information from you (and any person in a chain of tippees who receives the information from them) could be liable under securities laws if the person who receives the information trades in securities. See Harvest One’s Disclosure Policy for further information.

2. Definitions

- (a) “**Blacked-out Employee**” means a Harvest One team member who is described in Section 4(a)(i) or (ii) of this Policy.
- (b) “**Disclosure Date**” means the date on which Harvest One generally discloses its annual or quarterly financial results.
- (c) “**discretionary blackout periods**” are imposed from time to time on Harvest One team members, in addition to the regularly scheduled blackout periods, following consultation with the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer.
- (d) “**material change**” in relation to the affairs of any Reporting Issuer, means a change in the business, operations or capital of that Reporting Issuer that would reasonably be expected to have a significant effect on the market price or value of any of the securities of that Reporting Issuer, or a decision to implement such a change made by: (i) senior management of that Reporting Issuer who believe that confirmation of the decision by the board of directors or persons acting in a similar capacity of that Reporting Issuer is probable; or (ii) the board of directors or such persons acting in a similar capacity of that Reporting Issuer.
- (e) “**material fact**” in relation to securities issued or proposed to be issued by any Reporting Issuer, means a fact that would reasonably be expected to have a significant effect on the market price or value of such securities.
- (f) “**Material Information**” means any information relating to the business and affairs of any Reporting Issuer that results in, or would reasonably be expected to result in, a significant change in the market price or value of any of the listed securities of that Reporting Issuer. Material Information includes both material changes and material facts. (See attached Schedule A for examples of potential Material Information.)

- (g) **“regularly scheduled blackout periods”** begin ten (10) business days prior to the Disclosure Date and end at the close of business on the second trading day following the Disclosure Date.
- (h) **“special relationship”** – For the purpose of this Policy, a person is in a special relationship with Harvest One if the person:
 - (i) is a Harvest One team member;
 - (ii) is engaging in or is proposing to engage in any business or professional activity with or on behalf of Harvest One or any of its subsidiaries and includes, without limitation, a consultant; or
 - (iii) is a person who has learned of Material Information with respect to Harvest One from any other person in a special relationship with Harvest One, and who knows or ought reasonably to have known that the other person is in such a relationship.
- (i) **“Harvest One team member”** refers to each director, officer, or employee of Harvest One or any of its subsidiaries.

OBLIGATIONS

3. Obligations on all Harvest One team members

As a Harvest One team member:

- (a) You cannot trade in securities of Harvest One while in possession of Material Information with respect to Harvest One that has not yet been generally disclosed.
- (b) You cannot trade in the securities of another public company while in possession of Material Information regarding that public company which knowledge was gained during the course of your work at Harvest One, if the Material Information has not been generally disclosed to the public.
- (c) You cannot recommend or encourage another person to trade in securities of Harvest One while in possession of Material Information regarding Harvest One that has not yet been generally disclosed.
- (d) You cannot recommend or encourage another person to trade in securities of another public company while in possession of Material Information regarding that public company which knowledge was gained during the course of your work at Harvest One, if the Material Information has not yet been generally disclosed.
- (e) You cannot inform other people of Material Information regarding Harvest One before that Material Information has been generally disclosed, except under very limited circumstances as permitted under securities laws.
- (f) You cannot inform other people of Material Information regarding a public company where you have gained that information in the course of your work at Harvest One

before that Material Information has been generally disclosed, except under very limited circumstances as permitted under securities laws.

As a general rule, Harvest One team members should not consider Material Information to be generally disclosed until the close of business on the second trading day after the Material Information has been released to the public.

The restrictions on trading above do not apply to exercises of options granted under the Company's share option plan, however, the sale of the underlying common shares is subject to these restrictions.

These restrictions apply to Harvest One team members with Material Information and all members of that person's household. Harvest One team members are responsible for compliance with the restrictions above by members of their household and should, if necessary, review this Policy and the general prohibitions on insider trading with them. These restrictions also apply to Harvest One team members who cease to be Harvest One team members until the Material Information has been generally disclosed.

Please contact the Chief Executive Officer if you are unsure if information is Material Information or you have any questions about your obligations above. See also the Company's Disclosure Policy for more information.

4. Additional Obligations on Blacked-out Employees

Additional obligations are imposed on Harvest One team members who are Blacked-out Employees, as described in this Section 4.

(a) Blacked-Out Employees

(i) Who is a Blacked-out Employee for the purposes of regularly scheduled blackout periods?

The following Harvest One team members are Blacked-out Employees of Harvest One during regularly scheduled blackout periods:

- (1) All directors of Harvest One;
- (2) All Harvest One team members who are at or above the **vice-president level (e.g., Presidents, Executive Vice Presidents, Senior Vice Presidents, and Vice Presidents)**, including team members in acting positions;
- (3) All Harvest One corporate accounting team members involved in the preparation of the Company's financial statements and management's discussion and analysis; and
- (4) All other Harvest One team members who receive notice from the Chief Executive Officer or his/her designee that they are designated Blacked-out Employees during such periods.

(ii) Who is a Blacked-out Employee for the purposes of discretionary blackout periods?

All Harvest One team members who receive notice from the Chief Executive Officer or his/her designee that they are designated Blacked-out Employees during such periods.

(b) Obligations on Blacked-out Employees

During any regular or discretionary blackout period, the affected Blacked-out Employees cannot trade in securities of Harvest One. Blacked-out Employees may exercise options granted under the Company's share option plan, however, the sale of the underlying common shares is not permitted during the blackout period.

Each Harvest One team member with Material Information is responsible to comply with the restrictions in securities laws on insider trading and tipping (summarized in Section 3 of this Policy), regardless of whether Harvest One has informed you that you are a Blacked-out Employee. Additional guidance should be sought from the Chief Executive Officer where any uncertainty exists regarding your legal obligations or whether you have Material Information.

5. Additional Obligations on Reporting Insiders

Additional obligations are imposed on Harvest One team members who are Reporting Insiders, as described in this Section 5.

(a) Reporting Insiders

As at June 10, 2019, the following Harvest One team members are "Reporting Insiders" of Harvest One: (i) the Chief Executive Officer; (ii) the Chief Operating Officer; (iii) the Chief Financial Officer; (iv) the Chief Technology Officer; and (v) each director of Harvest One.

These persons, together with any other Harvest One team member who is informed by the Chief Executive Officer or his/her designee from time to time that he or she has become a Reporting Insider of Harvest One, shall remain a Reporting Insider of Harvest One until the earlier of the date that he/she has been informed by the Chief Executive Officer or his/her designee that he/she is no longer a Reporting Insider of Harvest One or until he/she ceases to be a director or employee of Harvest One, as the case may be.

(b) Obligation to File Insider Reports

Under securities laws and this Policy, Reporting Insiders are required to file a report (the "**Insider Report**") with the securities regulatory authorities any time they trade in, or there is any change in their beneficial ownership of, or control or direction over, any securities of Harvest One (including the grant, exercise or expiry of options), including certain derivative based transactions and equity monetization transactions related thereto. Insiders must file an Insider Report electronically through the "System for Electronic Disclosure by Insiders" ("**SEDI**") if they have beneficial ownership of, or control or direction over, any securities or related financial instruments of Harvest One within 10 calendar days of becoming a Reporting Insider and, thereafter, within 5

calendar days after each trade or any other change in Harvest One securities or related financial instruments.

Securities laws provide some exemptions from insider reporting requirements. Please contact the Chief Executive Officer for further information on insider reporting and exemptions.

6. Prohibitions against short selling, hedging and certain trading

Harvest One team members are prohibited from engaging in the following transactions with respect to Harvest One securities:

- (a) short sales,
- (b) monetization of equity awards (e.g., options) before vesting,
- (c) transactions in derivatives on Harvest One securities such as put and call options, or
- (d) any other hedging or equity monetization transactions where the team member's economic interest and risk exposure in the Harvest One securities are changed, such as collars or forward sale contracts.

The prohibitions in this section do not apply to trades associated with the exercise of Harvest One options in accordance with Harvest One approved procedures.

7. Waiver

Notwithstanding any of the prohibitions contained in Section 4, the Chief Executive Officer may, at his or her discretion, waive the prohibitions contained in Section 4 in exceptional circumstances, provided that the Harvest One team member seeking the waiver does not have any undisclosed Material Information and that making such an exception would not violate any applicable securities laws. The Chief Executive Officer will report any such waivers to the Compensation, Nominating and Governance Committee at the next regularly scheduled meeting of the Compensation, Nominating and Governance Committee.

8. Potential Civil and Criminal Penalties

The consequences of carrying on any prohibited insider trading activity, tipping or failing to file an insider report where required on a timely basis can be severe and may give rise to Harvest One taking disciplinary measures up to and including dismissal, as well as legal sanctions such as civil liability for damages, fines and criminal sanctions.

9. Certification

All directors, officers and employees must sign the Insider Trading Policy Acknowledgement attached as Appendix B, attesting that they have read and understand this policy and that they agree to comply with its terms.

Last reviewed and approved by the Board on June 10, 2019.

**INSIDER TRADING
QUICK REFERENCE LIST**

DO NOT TRADE OR RECOMMEND/ENCOURAGE OTHERS TO TRADE IN SECURITIES OF HARVEST ONE OR OF ANOTHER PUBLIC COMPANY WHEN YOU:

- know Material Information about Harvest One which has not been generally disclosed and disseminated to the public;
- know Material Information about another public company which has not been generally disclosed and disseminated to the public and you learned of such Material Information because of your business or dealings with Harvest One;
- have received notice from the Chief Executive Officer or his/her designee that you are subject to a blackout period; or
- have received any other notice from the Chief Executive Officer that you cannot trade in securities.

APPENDIX A

EXAMPLES OF POTENTIALLY MATERIAL INFORMATION

The following list is reproduced from National Policy 51-201 *Disclosure Standards*, which provides examples of the types of events or information that may be material to a company.

Changes in corporate structure

- changes in share ownership that may affect control of the company;
- major reorganizations, amalgamations, or mergers; and
- take-over bids, issuer bids, or insider bids.

Changes in capital structure

- the public or private sale of additional securities;
- planned repurchases or redemptions of securities;
- planned splits of common shares or offerings of warrants or rights to buy shares;
- any share consolidation, share exchange, or stock dividend;
- changes in a company's dividend payments or policies;
- the possible initiation of a proxy fight; and
- material modifications to the rights of security holders.

Changes in financial results

- a significant increase or decrease in near-term earnings prospects;
- unexpected changes in the financial results for any period;
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs;
- changes in the value or composition of the company's assets; and
- any material change in the company's accounting policies.

Changes in business and operations

- any development that affects the company's resources, technology, products or markets;
- a significant change in capital investment plans or corporate objectives;
- major labour disputes or disputes with major contractors or suppliers;
- significant new contracts, products, patents, or services or significant losses of contracts or business;
- changes to the board of directors or executive management, including the departure of the company's Executive Chairman, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer or president (or persons in equivalent positions) ;
- the commencement of, or developments in, material legal proceedings or regulatory matters;
- waivers of corporate ethics and conduct rules for officers, directors, and other key employees;
- any notice that reliance on a prior audit is no longer permissible; and
- de-listing of the company's securities or their movement from one quotation system or exchange to another.

Acquisitions and dispositions

- significant acquisitions or dispositions of assets, property or joint venture interests; and
- acquisitions of other companies, including a take-over bid for, or merger with, another company.

Changes in credit arrangements

- the borrowing or lending of a significant amount of money;
- any mortgaging or encumbering of the company's assets;
- defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors;
- changes in rating agency decisions; and
- significant new credit arrangements.

**APPENDIX B
ACKNOWLEDGEMENT**

TO: HARVEST ONE CANNABIS INC.

RE: INSIDER TRADING POLICY DATED JUNE 10, 2019

I, _____ , hereby acknowledge that I have received and read
(Print Name)

a copy of the Insider Trading Policy and agree to comply with its terms. I understand that violation of insider trading or tipping laws may subject me to severe civil and/or criminal penalties, and that violation of the terms of the above-noted policy may subject me to discipline by Harvest One up to and including termination.

Signature

Date