

NOVA CANNABIS INC.

CODE OF BUSINESS CONDUCT

The term "**Corporation**" refers to Nova Cannabis Inc.; the term "**Board**" refers to the board of directors of the Corporation; and the term "**Chair of the Governance Committee**" refers to the chair of the Governance Committee of the Board.

The Corporation and its affiliates are collectively referred to as "**Nova**". The term "**affiliate**" means an entity directly or indirectly controlling, or controlled by, or under common control with, another entity, as the case may be, with "**control**" meaning the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of an entity, whether through the ownership of voting securities, by contract or otherwise. The term "**Executive Management**" refers to the Chief Executive Officer ("**CEO**") the Chief Financial Officer ("**CFO**"), the Chief Operating Officer, and other Senior Vice Presidents of the Corporation.

Nova will adhere to the highest ethical standards in all of its activities, and all of Nova's directors, officers, employees and consultants (collectively "**Nova Personnel**") are expected to maintain these standards.

Nova and all Nova Personnel shall comply with the letter and spirit of all laws and regulations applicable to Nova's activities. A concern for what is right must underlie all business decisions.

Ignorance of the law is not, in general, a defence should a law be contravened. Moreover, agreements or arrangements need not necessarily be in writing to be contrary to the law since it is possible for a contravention to be inferred from the conduct of the parties. Accordingly, Nova Personnel must diligently ensure that their conduct is not and cannot be interpreted as being in contravention of laws governing the affairs of Nova in any jurisdiction where it conducts its activities. Nova Personnel shall be required to certify their compliance with this Code of Business Conduct (this "**Code**") from time to time as required by the CEO or Board of Directors of the Corporation by way of executing and delivering a certification statement in the form set out in Schedule "A" attached hereto.

In view of the ever-increasing complexity of the law affecting business activity, whenever Nova Personnel are in doubt about the application or interpretation of any legal requirement, the advice of the Chair of the Governance Committee, CEO or Nova's internal legal counsel should be sought.

1. Nova insists that Nova Personnel must be treated fairly without discrimination by reason of race, national or ethnic origin, colour, religion, age, sex, sexual orientation, marital status or physical handicap and shall be entitled to work in a discrimination, harassment and bullying free environment in accordance with Nova's Workplace Mutual Respect Policy attached hereto as Schedule "B".
2. No business operation is considered effective or complete without proper attention to safety, health and the environment.
3. Nova Personnel are entrusted with the care, management and cost-effective use of Nova's property, and shall not use their status with Nova to obtain personal gain from those doing or seeking to do business with Nova.
4. Nova Personnel shall not furnish or solicit, on behalf of Nova, expensive gifts or solicit excessive benefits to or from other persons. Any otherwise permissible receipt or giving of anything of

value shall always be done in accordance with applicable laws and regulations; with particular consideration to those of applicable regulatory bodies (including cannabis regulators). It is the responsibility of Nova Personnel to understand the regulatory regime Nova operates within and if there is ever any doubt, advice from management or Nova's internal legal counsel should be sought. At times, Nova Personnel may be offered gifts, including entertainment. While gifts of cash are never acceptable, Nova Personnel may accept nominal gifts, subject to applicable laws and regulations, on behalf of Nova (meaning such gifts shall be turned in to Executive Management). Prior to accepting a gift or entertainment (including meals) from a client, customer or supplier or other business contact (collectively referred to herein as a "**Business Contact**"), all Nova Personnel must complete a "Vendor Relations Exception Form" which is attached hereto as Schedule "C", and have the form signed by either the CEO or CFO or otherwise receive approval in writing from either of the aforesaid officers. Acceptable gifts or entertainment will be limited to entertainment and sporting events and dinners, provided the Business Contact is present, and in each case having a value of what is reasonable in the circumstances. If in doubt over the reasonability of a gift or entertainment, Nova Personnel are encouraged to consult the CEO or CFO but, in any event, must complete the Vendor Relations Exception Form.

Notwithstanding the foregoing, for Nova Personnel employed at the "Director" level (or equivalent) and above, approval through a Vendor Relations Exception Form will not be required for otherwise permissible entertainment (as described above) that occurs in the ordinary course of business, has a value of less than \$350.00 (USD or CDN in the respective jurisdictions) and occurs at reasonable intervals and in reasonable aggregate amounts. For certainty, all entertainment shall have a business purpose and be attended with the host.

Examples of entertainment presumed permissible, but which does not abrogate from Vendor Relations Exception Forms as required herein, are business lunches and dinners or sporting events with Business Contacts, and nominal holiday gifts (again, always accepted for Nova and thus delivered to a member of Executive Management). Non-permissible entertainment includes when the host is not present and no other business purpose exists (for example, concert tickets simply given to personnel are not permissible).

5. The Corporation has a zero-tolerance approach towards bribery and corruption regardless of whether such conduct occurs in the public/government sector or the private/business sector. "Bribe" means, directly or indirectly, giving someone a financial or other advantage or anything of value to encourage the person to perform his or her functions or activities improperly or to reward that person for having done so. It may include favours, loans, assets, profit sharing, guarantees, the use of property, job offers, political contributions or the payment of expenses or debts or other amounts.
6. The direct or indirect use of Nova's funds, goods or services as contributions to political parties, campaigns or candidates for election to any level of government requires approval of the Board unless done in accordance with the Political Contribution Policy attached hereto as Schedule "D".
7. All dealings between Nova Personnel and public officials are to be conducted in a manner that will not compromise the integrity or impugn the reputation of any public official or Nova.
8. Nova Personnel who become involved in a situation in which their personal interests conflict or might conflict with their duties to Nova must immediately report the situation to the Chair of the Governance Committee.

9. Nova Personnel have an obligation to promote the best interests of Nova at all times. They should avoid any action that may involve a conflict of interest with Nova. Nova Personnel should not have any undisclosed, unapproved financial or other business relationships with Business Contacts or competitors that might impair the independence of any judgement they may need to make on behalf of Nova. Conflicts of interest would also arise if a director, officer, employee or consultant, or a member of his or her family, solicits, receives or provides improper personal benefits as a result of his or her position with Nova.
10. Where conflicts of interest arise, Nova Personnel must provide full disclosure of the circumstances to the Board and not be involved in any related decision-making process.
11. Nova Personnel must also avoid apparent conflicts of interest, which occur where a reasonable observer might assume there is a conflict of interest or a loss of objectivity in their dealings on behalf of Nova. If there is any doubt as to a real, or apparent, conflict of interest Nova Personnel shall consult with the CEO or CFO. If doubt remains, or concerns continue to exist, Nova Personnel can report conduct through the Whistleblower Policy or directly to the Chair of the Governance Committee.
12. Nova Personnel are responsible for protecting Nova's assets and the Board, in consultation with Executive Management of the Corporation, is responsible for establishing and maintaining appropriate internal controls to safeguard Nova's assets against loss from unauthorized use or disposition.
13. The books and records of Nova must reflect in reasonable detail all of its business transactions in a timely, fair and accurate manner in order to, among other things, permit the preparation of accurate financial statements in accordance with generally accepted accounting principles and applicable law. All assets and liabilities of Nova must be recorded as necessary to maintain accountability for them. All business transactions must be properly authorized and transactions must be supported by accurate documentation in reasonable detail and recorded properly.
14. No information related to Nova or Nova Personnel may be concealed from Nova's external auditors, the Board or the Audit Committee of the Board. In addition, it is illegal to fraudulently influence, coerce, manipulate or mislead an external auditor who is auditing Nova's financial statements.
15. Certain of Nova's records, reports, papers, devices, processes, plans, methods and apparatus are considered by Nova to be confidential information, and Nova Personnel are prohibited from revealing such matters except as may be allowed under Nova's Confidentiality and Disclosure Policy. Confidential information includes, but is not limited to, technical information, results, observations, analyses, compilations, evaluations, assessments, business or commercial data or plans and investor related data. The term "confidential information" relates to the underlying nature of the information, covering both oral and written information, and is independent of the medium on which the information is stored. It thus covers information stored on paper, various magnetic media, computer, microfiche or any other medium.
16. Subject to any additional obligations or restrictions contained in any agreement between Nova and the applicable party, during the course of employment in the case of employees, the term of the consulting contract with Nova in the case of consultants and during their term as directors or officers in the case of directors and officers of Nova and for period of two (2) years thereafter,

officers, employees and consultants shall not use for their own financial gain or disclose for the use of others, confidential information, obtained as a result of their position with Nova.

17. Nova Personnel must strictly adhere to the terms outlined in Nova's Confidentiality and Disclosure Policy and Insider Trading Policy and ensure compliance with applicable securities laws governing (i) trading in securities of Nova while in possession of material non-public information concerning Nova, (ii) tipping and (iii) disclosure of material non-public information to outsiders, and shall avoid embarrassment by preventing the appearance of improper trading or tipping.
18. As a publicly traded entity, the Corporation has an obligation to comply with the rules relating to disclosure of material and price sensitive information under the relevant securities legislation and the rules and guidance of the Toronto Stock Exchange ("TSX") or the TSX Venture Exchange, as applicable, and any other exchange on which the shares of the Corporation are listed.
19. In accordance with the Corporation's disclosure obligations, all financial communications and reports must contain full, fair, accurate, timely and understandable disclosure and be delivered in a manner that facilitates the highest degree of clarity of content and meaning so that readers and users will be able to quickly and accurately determine their significance and consequence. All directors, officers, employees and consultants who are responsible for the preparation of Nova's public disclosure, or who provide information as part of the process, have a responsibility to ensure that such disclosure is prepared, and information is provided, honestly, accurately and in compliance with Nova's disclosure controls and procedures.
20. In accordance with Nova's Confidentiality and Disclosure Policy and Insider Trading Policy, any director, officer, employee or consultant in possession of material information must not disclose such information before its public disclosure and must take steps to ensure that the Corporation complies with its timely disclosure obligations.
21. Speculation in business, shares and other securities, land or other ventures of any kind on the basis of confidential information obtained in the course of a director's, officer's, employee's or consultant's duties with Nova is prohibited. This includes but is not limited to shares or securities of any company that Nova is evaluating or is studying as a possible acquisition or joint venture partner or with whom a major contract may be concluded. Use or disclosure of such information can result in civil or criminal penalties, for both the individuals involved and Nova.
22. It is the responsibility of Nova Personnel to bring to the attention of Nova knowledge of any situation that might adversely affect Nova's reputation. Nova Personnel are encouraged to report, verbally, or in writing, any evidence of improper practice of which they are aware. As used here, the term "improper practice" means any illegal, fraudulent, dishonest, unsafe, negligent or otherwise unethical action by a director, officer, employee or consultant.
23. Nova and all Nova Personnel shall comply with copyright law and any other laws applicable to the use of computer software, hardware and related materials, as well as with any and all contracts entered into by Nova with suppliers or licensors of computer software, hardware and related materials.
24. Any waiver of this Code for Nova Personnel may be made only by the applicable Board and may be disclosed as required by law, regulation or stock exchange requirement. Any amendment of this Code will be disclosed as required by law.

Nova Personnel are responsible for abiding by this Code. This includes individuals responsible for the failure to exercise proper supervision and to detect and report a violation by their subordinates. Nova Personnel are encouraged to report violations of this Code. Violations of this Code will result in Nova taking effective remedial action commensurate with the severity of the violation. This action may include disciplinary measures up to and including termination in the case of a director, employee or officer or termination of the consulting contract in the case of a consultant and, if warranted, legal proceedings. If determined appropriate, a matter may be referred to the appropriate authorities.

SCHEDULE "A"

NOVA CANNABIS INC.

CERTIFICATION STATEMENT FOR THE CODE OF BUSINESS CONDUCT

I have read the Nova Cannabis Inc. Code of Business Conduct and I can certify that except as specifically noted below:

1. I understand the content, purpose and consequences of contravening the Code of Business Conduct.
2. I am not and have not since the date of my last certification been in violation of the Code of Business Conduct except as may be stated below.
3. After due inquiry and to my best knowledge and belief, no employee or consultant under my direct supervision is in violation of the Code of Business Conduct.
4. I will exercise my best efforts to assure full compliance with the Code of Business Conduct by all employees or consultants under my direct supervision and I will continue to abide fully by the Code of Business Conduct.

Print or type name

Signature

Title and Location

Date

Any/All Exceptions

(Please include any potential conflict of interest situations)

1. _____

2. _____

(if required, provide additional details on the reverse side of this sheet or by appendage to this Certificate.)

SCHEDULE "B"

Workplace Mutual Respect Policy

Nova expects all employees and directors to treat one another with respect. Bullying, harassment, sexual harassment and other detrimental behaviors are not tolerated.

As part of its continuing efforts to eliminate workplace discrimination, and pursuant to the guidelines on discrimination issued by the applicable Human Rights Commission, Nova fully supports policies which protect and safeguard the rights and opportunities of all people to seek, obtain and hold employment without subjection to harassment or discrimination on enumerated grounds (or other inapplicable characteristics) of any kind in the workplace (which when used herein shall be given an expansive definition, including any location relating to Nova's business, any location wherein a Nova social activity is being held and any location of business related travel).

Definition

Harassment or discrimination on enumerated grounds (including race, religion, colour, gender, physical disability, mental disability, ancestry, age, place of origin, marital status, source of income, family status or sexual orientation), or any analogous ground, (collectively, "Inapplicable Considerations") is a violation of the Human Rights Code.

Workplace bullying is a pattern of behaviour intended to intimidate, offend, degrade or humiliate a particular group or person. It is also described as the assertion of power through aggression, targeting the competence level of the person being bullied. Although it can include physical abuse or the threat of abuse, bullying usually causes psychological rather than physical harm.

Nova will not tolerate harassment, discrimination or bullying. It is the policy of Nova that no Nova Personnel (as that term is used in the Code of Business Conduct which includes directors, officers, employees and consultants), harass, bully, discriminate or intimidate other Nova Personnel, including, but not limited to, by:

- Spreading malicious rumours, gossip or innuendo;
- Excluding or isolating someone socially;
- Intimidating a person;
- Undermining or impeding someone's work;
- Physically abusing or threatening abuse;
- Intruding on a person's privacy by pestering, spying or stalking;
- Insulting or putting down a person;
- Making offensive jokes;
- Using Inapplicable Considerations without a bona fide occupational requirement to influence employment decisions;
- Making unwelcome sexual advances or requests for sexual favours or other verbal or physical conduct of a sexual nature, a condition of an employee's employment;
- Making submission to or rejections of such conduct the basis for employment decisions affecting the employee; or
- Creating an intimidating, hostile, or offensive environment by such conduct.

Harassment does not refer to behaviour or occasional compliments of a socially acceptable nature. It refers to behaviour that is intimidating or sexual in nature, unwelcome, offensive, disrespectful, or that lowers morale and that, therefore, interferes with our work effectiveness and the rights of others. Forms of harassment include, but are not limited to:

- verbal: including sexual innuendoes/propositions, suggestive comments, remarks or jokes about subjects like race, religion, disability or age, and threats.
- non-verbal: including sexist, racist or other offensive objects or pictures, graphic commentaries, suggestive or insulting sounds, leering, whistling, obscene gestures (including written and emails).
- physical: including unwanted physical contact, touching, pinching, hugging, patting, or brushing of the body, coerced sexual intercourse, and assault.

Harassment and discrimination may be overt or subtle. Some behaviour, which may be appropriate in a non-work-related social setting, is not appropriate in the workplace or at a work-related social engagement. Whatever form it takes, verbal, nonverbal or physical, harassment can be insulting and demeaning to the recipient and shall not be tolerated in the workplace. **HARASSMENT, BULLYING OR INTIMIDATION BY ANY NOVA PERSONNEL WILL NOT BE TOLERATED.**

Responsibility

All Nova Personnel alike are expected to comply with this policy and take appropriate measures to ensure that such conduct does not occur.

If you believe you are subject to a violation of this policy or witness same, you are encouraged to come forward.

Appropriate disciplinary action will be taken against any Nova Personnel who violates this policy. Based on the seriousness of the offence, disciplinary action may include verbal or written warning, suspension, and/or termination.

Procedure

- A. If you believe that you are being harassed, bullied, discriminated against or the subject of unwelcome solicitation, you may choose to confront the alleged harasser and advise the individual that his/her comments and/or actions are, in your view, harassment or solicitation, unwelcome, and must stop. **If you are not comfortable with this approach, please immediately proceed to step B.**
- B. You should contact your Manager/Supervisor and/or the Human Resources Manager (or any executive you feel comfortable discussing the matter with, or, alternatively, the Chair of the Governance Committee or Board Chair). Finally, a complaint under the Whistleblowers Policy can be made. It is the responsibility of the Nova Personnel to make a formal complaint in writing as soon as practicable after the date of occurrence of the complaint. This complaint is to be dated and signed by the complainant and should contain a detailed description of the conduct complained about, including dates, actions, and parties giving rise to the complaint.
- C. A violation of this policy may result in counseling and/or discipline up to and including immediate termination, without notice or pay in lieu of notice, depending on the severity of the violation.

If the person contacted believes there are facts which constitute prima facie evidence of workplace discrimination, harassment or bullying, an investigation will be initiated and work will begin towards a resolution of the matter.

False Complaints and Retaliation

The complaint procedure must not be used for trivial, frivolous, or vexatious complaints. The integrity of the complaint can only be maintained if complaints are brought forward in a thoughtful and reasonable manner.

While Nova encourages personnel to take the steps set out above where unacceptable behavior has taken place, making unfounded allegations is equally serious and capable of undermining a healthy work environment. If a complainant has falsely accused another of objectionable conduct, knowingly or in a malicious manner, the complainant will be subject to sanctions. Nova Personnel who submit a complaint in good faith, even if the complaint has not been proven, will not have violated this policy.

Retaliation is not permitted against any complainant who makes a complaint in good faith or witnesses giving truthful accounts.

Confidentiality

Nova will make every effort to keep all complaints confidential since confidentiality is essential to the integrity of the complaint procedure. However, it must be recognized that a fair investigation will necessitate some disclosure.

Neither the name of the complainant nor the circumstances relating to the complaint will be disclosed to any person unless it is required to properly investigate the complaint, to take disciplinary action or otherwise required or advisable pursuant to applicable laws.

Where a complaint has not been substantiated, no documentation of the complaint will be placed in the employee file of the alleged violator of this policy.

SCHEDULE "C"

VENDOR RELATIONS EXCEPTION FORM

VENDOR INFORMATION:

Vendor Representative Name: _____

Position: _____

Company Name: _____

Is the Vendor a licensee or otherwise subject to cannabis laws and regulations?: **YES** **NO**

Is acceptance of this gift or entertainment in accordance with applicable regulations?: **YES** **NO**

Relationship with Vendor: _____

Phone Number: _____

EMPLOYEE INFORMATION:

Name: _____

Position: _____

Type of Business Entertainment or Gift and business purpose:

Date of Event (if applicable): _____

AUTHORIZED BY (Must be CEO or CFO):

Signed

Date

SCHEDULE "D"

Political Contribution Policy

Nova Cannabis Inc. and its affiliates ("Nova") supports involvement in activities that advance Nova's goals and improve the communities where it conducts its business. Nova considers making political contributions to the extent permitted by law and as may be consistent with this Policy as a constructive way to encourage and support the Canadian democratic system. The term "affiliate" means an entity directly or indirectly controlling, or controlled by, or under common control with, another entity, as the case may be, with "control" meaning the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of an entity, whether through the ownership of voting securities, by contract or otherwise. This Policy has been approved by the Board of Directors and is intended to help ensure corporate compliance with federal, provincial and municipal laws.

Consistent with Nova's Code of Business Conduct, the direct or indirect use of Nova's funds, goods or services as contributions to political parties, campaigns or candidates for election to any level of government requires approval of the Board of Directors.

Nova's employees, contractors and directors and officers may choose to become involved in political activities as long as they undertake these activities on their own behalf and may, on a personal level, give to any political party or candidate, but in no circumstances shall any of Nova's employees, contractors, directors or officers be permitted to use or associate their position or office with Nova with any personal political activity or donation or in any circumstances in which any such association could be reasonably inferred.

No employee, contractor, director or officer of Nova or any of its subsidiaries is permitted to make financial political contributions on behalf of Nova unless such contribution is permitted by law and is:

1. identified in the budget as a political contribution approved by the Board of Directors; or
2. approved in writing by the CEO and otherwise complies with the Code of Business Conduct.