

**NOTICE OF SETTLEMENT APPROVAL
AUXLY CANNABIS GROUP INC.
SECURITIES CLASS ACTION**

Read this notice carefully as it may affect your rights

This Notice is directed to all persons and entities, excluding certain persons associated with the Defendant, wherever they may reside or be domiciled, who purchased or otherwise acquired Auxly Cannabis Group Inc. (“Auxly”) common shares in the secondary market, on or after November 12, 2018, and held some or all of those securities until after the close of trading on February 6, 2019 (“Class Members” and the “Class”).

PURPOSE OF THIS NOTICE

A shareholder class action brought on behalf of Class Members has been settled. The Settlement Agreement has been approved by the Ontario Superior Court of Justice.

This Notice provides Class Members with information about how to submit a Claim Form to the Administrator in order to participate in the distribution of the Net Settlement Amount.

THE CLASS ACTION

This shareholder class action was commenced on behalf of investors who purchased Auxly common shares in the secondary market during the Class Period, against Auxly in the Ontario Superior Court: *Daniel Relvas v. Auxly Cannabis Group Inc.* CV-19-00617136-00CP (the "Action").

The Plaintiff in the Action alleges that the Defendant made misrepresentations during the Class Period related to Auxly’s business, operations and finances by omitting from its Q2 2018 Management Discussion & Analysis, material facts regarding the status of its project with FSD Pharma Inc. to build-out 220,000 square feet of cannabis cultivation space in Cobourg, Ontario. The Defendant denies all such allegations.

The settlement of the Action, without an admission of liability on the part of the Defendant, was approved by the Honourable Justice Edward Morgan on November 14, 2023. This notice provides a summary of the settlement.

SUMMARY OF THE SETTLEMENT TERMS

Auxly’s insurers will pay CAD \$4 million (the “Settlement Amount”) in full and final settlement of all claims against Auxly in the Action. Class Counsel Fees, including out-of-pocket expenses and taxes, were fixed by the Court as a first charge on the Settlement Amount in the amount of thirty (30) percent of CAD \$4 million, plus disbursements, plus taxes. The settlement for the Class, less the Class Counsel Fees and disbursements, administrator’s expenses, and taxes, will be distributed to the Class in accordance with the Court-approved Plan of Allocation. The Settlement Agreement and Plan of Allocation may be viewed at <https://bergermontague.ca/cases/auxly-cannabis-group-inc/>.

HOW TO MAKE A CLAIM FOR COMPENSATION:

CLAIMS FOR COMPENSATION MUST BE RECEIVED BY MARCH 28, 2024

Each Class Member must submit a completed Claim Form on or before March 28, 2024 in order to participate in the settlement.

The Claim Form can be accessed or downloaded at <https://bergermontague.ca/cases/auxly-cannabis-group-inc/> or obtained by calling the Administrator at 1 (855) 212-2601. If you do not submit a completed Claim Form by March 28, 2024, you will not receive any part of the Net Settlement Amount.

The Court appointed Berger Montague (Canada) PC as the Claims Administrator of the settlement to, among other things: (i) receive and process Claim Forms; (ii) decide eligibility for compensation; and (iii) distribute the net Settlement Amount to eligible Class Members.

The Claim Form should be submitted to the Claims Administrator by using the secure Online Claims System at <https://bergermontague.ca/cases/auxly-cannabis-group-inc/>. You may submit a paper Claim Form only if you do not have internet access. The paper Claim Form may be sent by mail or courier to:

Auxly Claims Administrator
330 Bay Street, Suite 1302
Toronto, ON M5H 2S8
Email: info@bergermontague.ca

QUESTIONS

Questions for the Class Members' lawyers may be directed to:

Berger Montague (Canada) PC
330 Bay Street, Suite 1302
Toronto, ON M5H 2S8
Tel: 1 (855) 212-2601
Email: info@bergermontague.ca

INTERPRETATION

If there is a conflict between the provisions of this Notice and the Settlement Agreement, the terms of the Settlement Agreement will prevail.

This notice has been approved by the Court. Questions about matters in this notice should NOT be directed to the Court.