
SUPREME PHARMACEUTICALS INC.

Listing Statement

April 14, 2014

Table of Contents

	Page
INTRODUCTION.....	I
FORWARD-LOOKING INFORMATION AND STATEMENTS.....	I
DOCUMENTS INCORPORATED BY REFERENCE.....	III
GLOSSARY OF TERMS.....	IV
CORPORATE STRUCTURE	1
GENERAL DEVELOPMENT OF THE BUSINESS	1
NARRATIVE DESCRIPTION OF THE BUSINESS	2
SELECTED CONSOLIDATED FINANCIAL INFORMATION	13
MANAGEMENTS DISCUSSION AND ANALYSIS	13
MARKET FOR SECURITIES.....	14
CONSOLIDATED CAPITALIZATION	14
OPTIONS TO PURCHASE SECURITIES	14
DESCRIPTION OF SECURITIES.....	15
PRIOR SALES	15
ESCROWED SECURITIES	15
PRINCIPAL SHAREHOLDERS	16
DIRECTORS AND OFFICERS	16
CAPITALIZATION	18
CONVERTIBLE AND EXCHANGEABLE SECURITIES.....	19
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS	21
RISK FACTORS.....	21
PROMOTERS	27
LEGAL PROCEEDINGS	27
INTEREST IN MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	27
AUDITOR, TRANSFER AGENTS AND REGISTRARS	27
MATERIAL CONTRACTS.....	27
INTEREST OF EXPERTS.....	28
OTHER MATERIAL FACTS.....	28
CERTIFICATE OF SUPREME PHARMACEUTICALS INC.....	29

INTRODUCTION

This Listing Statement (the "**Listing Statement**") is furnished in connection with the proposed listing by and on behalf of the management of Supreme Pharmaceuticals Inc. ("**Supreme**" or the "**Company**").

All capitalized terms used in this Listing Statement but not otherwise defined herein have the meanings set forth under "Glossary of Terms". Information contained in this Listing Statement is given as of April 14, 2014 unless otherwise specifically stated.

FORWARD-LOOKING INFORMATION AND STATEMENTS

Certain statements in this Listing Statement may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this Listing Statement, such statements use such words as "will", "may", "could", "intends", "potential", "plans", "believes", "expects", "projects", "estimates", "anticipates", "continue", "potential", "predicts" or "should" and other similar terminology. These statements reflect current expectations regarding future events and operating performance and speak only as of the date of this Listing Statement. Forward-looking statements include, among others, statements with respect to:

- the Company's expected future losses and accumulated deficit levels;
- the requirement for, and the Company's ability to obtain future funding on favourable terms or at all;
- market competition and agricultural advances of competitive products;
- the Company's expectations regarding the timing for availability of the Company's products and acceptance of its products by the market;
- the Company's expectations regarding the progress and the successful and timely completion of the various stages of the licensing process;
- the Company's strategy to develop new products and to enhance the capabilities of existing products;
- the Company's dependence on expanding its customer base;
- the Company's plans to market, sell and distribute its products;
- the Company's plans in respect of strategic partnerships for research and development;
- the Company's plans to retain and recruit personnel; and
- the Company's strategy with respect to the protection of its intellectual property.

Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under "Risk Factors". Although the forward-looking statements contained in this Listing Statement are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements and should not be unduly relied upon by investors. These forward-looking statements are made as of the date of this Listing Statement. A number of factors could cause actual events, performance or results, including those in respect of the foregoing items, to differ materially from the events, performance and results discussed

in the forward-looking statements. Factors that could cause actual events, performance or results to differ materially from those set forth in the forward-looking statements include, but are not limited to:

- the extent of future losses;
- the ability to obtain the capital required to fund development and operations;
- the development and growth of the medical marijuana industry in general;
- the ability to capitalize on changes to the marketplace;
- the ability to comply with applicable governmental regulations and standards;
- the ability to develop and commercialize medical marijuana in Canada;
- the ability to attract and retain skilled and experienced personnel;
- the impact of changes in the business strategies and development priorities of strategic partners;
- the impact of legislative changes to the medical marijuana regulatory process;
- general public acceptance of the medical marijuana industry;
- the impact of changes in the number of medical marijuana users in Canada;
- the yield from agricultural operations producing the Company's products;
- the ability to obtain patent protection and protect the Company's intellectual property rights and not infringe on the intellectual property rights of others;
- stock market volatility; and
- other risks detailed from time-to-time in the Company's ongoing quarterly and annual filings with applicable securities regulators, and those which are discussed under the heading "Risk Factors".

Readers should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. Readers are cautioned that the foregoing lists of factors are not exhaustive. Each of the forward-looking statements contained in this Listing Statement are expressly qualified by this cautionary statement. The Company expressly disclaims any obligation or responsibility to update the forward-looking statements in this Listing Statement except as otherwise required by applicable law.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Listing Statement from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Executive Officer of the Company at #772, 3553 - 31st St NW, Calgary, AB, e-mail info@supremepharmaceuticals.com . Copies of the documents incorporated herein by reference are also available at www.sedar.com.

The following documents of the Company, filed with the various provincial securities commissions or similar authorities in Canada, are specifically incorporated into and form an integral part of this Listing Statement:

- the audited financial statements of the Company together with the independent auditors' report thereon and the notes thereto as at and for the years ended June 30, 2013 and 2012 (the "**Annual Financials**");
- the management's discussion and analysis of the financial condition and operations of the Company for the year ended June 30, 2013 (the "**Annual MD&A**");
- the unaudited interim financial statements of the Company together with the notes thereto as at and for the six-month period ended December 31, 2013 and 2012 (the "**Interim Financials**");
- the management's discussion and analysis of the financial condition and operations of the Company for the six-month period ended December 31, 2013 (the "**Interim MD&A**");
- the information circular dated November 29, 2013 in connection with the annual and special meeting of shareholders of the Company held December 30, 2013 (the "**Information Circular**");
- the material change report dated March 26, 2014 in respect of the Company's option to acquire a producing medical marijuana business in Canada; and
- the material change report dated October 10, 2013 in respect of changes to the Company's officers and directors; and
- the material change report dated September 30, 2013 in respect of a private placement of the Company.

GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Listing Statement, including the Appendices attached hereto.

"**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder;

"**Applicable Canadian Securities Laws**" means, collectively, and as the context may require, the applicable securities legislation of each of the provinces and territories of Canada, and the rules, regulations, instruments, orders and policies published and/or promulgated thereunder, as such may be amended from time to time;

"**BCBCA**" means the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended, including the regulations promulgated thereunder;

"**Board of Directors**" or "**Board**" means the board of directors of Supreme as it may be comprised from time to time;

"**Business Option Agreement**" means the agreement dated March 22, 2014 between the Vendor and the Company outlining the terms of the Business Option, as amended on April 5, 2014;

"**Business Option**" means the option to acquire a producing medical marijuana business until 60 days after receipt of notice by the Company that the License has been issued to the Vendor, for the sum of \$1,250,000, payable in cash and Common Shares, subject to regulatory approval;

"**cannabis**" has the meaning given to such term in the MMPR;

"**CBD**" means cannabidiol;

"**CDSA**" means the *Controlled Drugs and Substances Act* (Canada);

"**client**" has the meaning given to such term in the MMPR;

"**Common Shares**" means the common shares in the capital of Supreme;

"**Designated-person Production Licence**" means a license issued by Health Canada designating the applicant as a Designated-person license holder pursuant to section 34 of the MMAR;

"**GAAP**" means Canadian generally accepted accounting principles;

"**License**" means a license issued by Health Canada designating the applicant as a Licensed Producer;

"**Licensed Producer**" has the meaning given to such term in the MMPR;

"**marijuana**" has the meaning given to the term "marihuana" in the MMPR;

"**Minister**" means the Federal Minister of Health.

"**MMAR**" means the *Marihuana Medical Access Regulations* (Canada) issued pursuant to the *Controlled Drugs and Substances Act* (Canada);

"**MMPR**" means the *Marihuana for Medical Purposes Regulations* (Canada) issued pursuant to the *Controlled Drugs and Substances Act* (Canada);

"**Option Plan**" means the Supreme Common Share option plan;

"Options" means all outstanding options granted pursuant to the Option Plan;

"Personal-use Production Licence" means a license issued by Health Canada designating the applicant as a personal-use license holder pursuant to section 24 of the MMAR;

"Securities Act" means the *Securities Act* (British Columbia);

"SEDAR" means the System for Electronic Document Analysis and Retrieval at www.sedar.com;

"Shareholders" means the holders of Common Shares;

"subsidiary" has the meaning ascribed thereto in the Securities Act (and shall include all trusts or partnerships directly or indirectly owned by Supreme);

"Supreme" or the **"Company"** means Supreme Pharmaceuticals Inc. (formerly known as Supreme Resources Ltd.), a corporation incorporated under the BCBCA;

"Tax Act" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended;

"Technical Report" means the National Instrument 43-101 compliant technical report with respect to the Lillooet Mining Division dated July 24, 2007, prepared by Jennifer S. Getsinger, Ph.D., PGeo, entitled "Technical Report (Revision 2) on the Ample-Goldmax Property";

"THC" means Tetrahydrocannabinol; and

"TSXV" means the TSX Venture Exchange Inc.;

"U.S." means the United States of America.

CORPORATE STRUCTURE

Supreme Pharmaceuticals Inc. ("**Supreme**" or the "**Company**") is a research and commercial development company engaged in the repurposing of pharmaceuticals, the commercialization of biomedical devices and the growth, production and distribution of medical marijuana in Canada. The Company also has a line of business engaged in the acquisition, exploration and development of mining properties in Canada.

Supreme was incorporated under the BCBCA on June 12, 1979 as "Sonar Energy Company". On February 9, 2007 the Company changed its name from "Universal Energy Corp." to "Supreme Resources Ltd." Previously, the Company had changed its name to U.S. Platinum Inc. (January 9, 2006) and Strata Energy Company (July 20, 1987). In 2007, the Company's principal business activities changed from acquiring and developing oil and gas properties in central United States and Canada to acquiring and developing mining properties in Canada. To date the Company has not generated significant revenues from its operations and is considered to be in the exploration stage company.

On February 13, 2014, the Company announced that it had changed its name to "Supreme Pharmaceuticals Inc."

The executive office of Supreme is located at #772, 3553 31 Street SW, Calgary, Alberta T2L 2K7. Supreme is a reporting issuer in each of the provinces of British Columbia and Alberta.

GENERAL DEVELOPMENT OF THE BUSINESS

History

Supreme started operations in 1979 as junior oil and gas exploration and production company. On February 9, 2007, the Company changed its name to Supreme Resources Ltd. and the Company's principal business activities changed from acquiring and developing oil and gas properties in central United States and Canada to acquiring and developing mining properties in Canada. To date the Company has not yet generated revenues from its operations and is considered to be in the exploration stage company.

On October 1, 2013, the Company completed a non-brokered private placement up 79,900,000 Common Share units at \$0.005 per unit for total gross proceeds of \$399,500. Each unit consisted of one Common Share and one Common Share purchase warrant. Each warrant is exercisable for 12 months from closing at an exercise price of \$0.05 per Common Share. No insiders participated in the financing. Finders' fees of \$4,840 and 1,040,000 finder's warrants exercisable for 1 year from closing at \$0.05 were issued in connection with the closing.

On October 10, 2013 the Company announced the resignation of two directors, and the appointment of David Stadnyk as Chief Executive Officer and Tatiana Koveleva as Chief Financial Officer. At the same time the Company announced that Mr. George Tsafalas was joining the Board.

In January of 2014, due to prevailing market conditions, the Company determined that it should pursue a line of business in the pharmaceutical and bio-medical device fields, in addition to its mineral resource business. In March 2014, in response to changes to the CSDA, the Company determined that in the near-term, it would focus on acquiring businesses that have obtained licenses to grow, produce and sell medical marijuana in Canada under the MMPR, and executed the Business Option Agreement to facilitate the development and growth of this line of business. The Company will continue to evaluate other pharmaceutical and bio-medical businesses, including those involved in medical marijuana, in order to identify those entities that best fit its plans for organic growth.

Mining Resource Exploration and Development

For information regarding the Company's mineral properties and natural resource operations please see the Technical Report and the other documents incorporated by reference into this Listing Statement that

are available on www.sedar.com. The Company has no intention of pursuing this division of its business until the markets for natural resource exploration and development become more robust.

Biomedical Devices and Pharmaceuticals

On January 29, 2014 the Company announced that it was changing its name from "Supreme Resources Ltd." to "Supreme Pharmaceuticals Inc." and intended to pursue an additional line of business relating to pharmaceuticals and biomedical devices.

Medical Marijuana

On March 24, 2014, the Company announced that it had signed a conditional agreement with an arms-length South Okanagan-based company, whereby it has the option to purchase a producing medical marijuana business until March 23, 2015 for the sum of \$1,000,000, payable in cash and Common Shares, subject to regulatory approval. Terms of the Business Option Agreement were amended to increase the option payment to \$250,000 and the purchase price to \$1,250,000 payable in cash and Common Shares. This option was granted on April 15, 2014.

On April 14, 2014 the Company announced that it had entered into negotiations to acquire a second producing medical marijuana facility.

The medical marijuana industry in Canada is undergoing massive reform as a result of the new Marijuana for Medical Purposes Regulation (MMPR) regulation scheduled to come into effect April 1, 2014, or some date thereafter-pending legal review. The vendor of the optioned medical marijuana business (the "**Vendor**") is currently producing marijuana under Medical Marijuana Access Regulation (MMAR) licences and will be able to continue to operate under its current licences past the April 1, 2014 deadline as a result of recent court decisions.. The Vendor intends to apply for a MMPR licence to produce and sell commercial medical marijuana, a process expected to take several months. Health Canada has currently issued a total of twelve commercial licences and has advised that it will be issuing additional licences. The Company's initial assessment is that the Vendor and its advisors meet the criteria set forth by the government due to its advanced business plan and key industry veterans involved. The Vendor is a past and current producer and has been in business since July of 2013 with 4 Designated-person and Personal-use Production Licenses. There is no assurance that such a license will be granted to the Vendor, which will be a key condition in the Company's decision as to whether to exercise the Business Option or not.

British Columbia is known for its high quality marijuana production. Health Canada has reported that British Columbia produces 69.4% of the medical marijuana plants authorized for production within the country. British Columbia is prolific for both its agriculture and horticulture. The climate for growing marijuana in the Okanagan is arguably the best in the world.

As at April 14, 2014, the Company's issued and outstanding voting shares consisted of 144,812,362 Common Shares (not including exercised common share purchase warrants that had not been fully processed by the Company's transfer agent).

NARRATIVE DESCRIPTION OF THE BUSINESS

In 2001, Canada implemented a government-run program for medical marijuana access. The original regulations permitted approved persons access to either grow the product or seek supply from Health Canada. According to a press release issued by Health Canada on June 10, 2013, the number of individuals in Canada approved to use medical marijuana has grown from 500 in 2001 to more than 30,000 as of June 10, 2013. Due in part to the growth in demand, Health Canada issued new regulations in June 2013 that will replace government supply and homegrown medical marijuana existing under the MMAR with highly secure and regulated commercial operations.

Under the MMPR, businesses wishing to commercially produce and sell medical marijuana need to obtain a License to operate as a Licensed Producer of medical marijuana. Each License has a term ending 12

months after it is first issued. A potential licensee must complete and submit an application that provides the following information:

- (a) proof that the applicant is not an adult who ordinarily resides in Canada or a corporation that has its head office in Canada or operates a branch office in Canada and whose officers and directors are all adults;
- (b) the identity of a senior person who will have overall responsibility for the management of the activities carried out by the licensed producer;
- (c) the identity of a responsibly person at work at the Licensed Producer's site and have responsibility for supervising the activities with respect to cannabis;
- (d) details regarding the proposed site and the buildings within the site, including floor plans, where the proposed activities are to be conducted;
- (e) the activities that are proposed to be conducted, the purposes for conducting those activities and the substances in respect of which each of the activities is to be conducted;
- (f) a detailed description of the security measures at the proposed site;
- (g) a detailed description of the method the application proposes to use for keeping records; and
- (h) the maximum quantity, in kilograms, of dried marijuana to be produced and sold by the applicant under the license and production period

In addition, the licensee must notify the local government, local fire authority and the local police force or detachment of the Royal Canadian Mounted Police prior to submitting the application. The Company r is not currently aware of any reason why the Vendor would not be able to receive a License pursuant to the MMPR.

At the end of each term of the License, the licensee, must submit an application for renewal to Health Canada containing information prescribed by the MMPR. The MMPR requires that the Minister of Health, after examining the application and any supplementary information requested, issue a renewed licence unless:

- (a) the applicant is not an adult who ordinarily resides in Canada or a corporation that has its head office in Canada or operates a branch office in Canada and whose officers and directors are all adults;
- (b) the requirements regarding notification of local authorities in sections 38 or 39 of the MMPR have not been met (such notifications would only be required in connection with a renewal if there are changes to the information since the original application);
- (c) an inspector, who has requested an inspection, has not been given the opportunity by the applicant to conduct an inspection;
- (d) the Minister has reasonable grounds to believe that false or misleading information or false or falsified documents were submitted in or with the application;
- (e) information received from a peace officer, a competent authority or the United Nations raises reasonable grounds to believe that the applicant has been involved in the diversion of a controlled substance or precursor to an illicit market or use;

- (f) the applicant does not have in place the security measures set out in the Security Directive and Division 3 in respect of an activity for which the licence is sought;
- (g) the applicant is in contravention of or has contravened in the past 10 years
 - (i) a provision of the Act or its regulations or the Food and Drugs Act, or
 - (ii) a term or condition of another licence or a permit issued to it under any of those regulations;
- (h) the renewal of the licence would likely create a risk to public health, safety or security, including the risk of cannabis being diverted to an illicit market or use;
- (i) any of the following persons does not hold a security clearance:
 - (i) the senior person in charge,
 - (ii) the responsible person in charge,
 - (iii) if applicable, the alternate responsible person in charge,
 - (iv) if the applicant is an individual, that individual, and
 - (v) if the applicant is a corporation, any of its officers or directors;
- (j) the proposed method of record keeping does not meet the requirements of the MMPR; or
- (k) if applicable, any supplemental information requested has not been provided or is insufficient to process the application.

History

In connection with the introduction of the MMPR by Health Canada in 2013, the founders of the Vendor believed that the new supply chain would be an opportunity for new companies to be created and commenced strategic planning. As a result the Vendor's current personal use licenses and experience in the industry, the Vendor produced initial business plan documents and developed a perspective on the opportunity created by the MMPR. The Vendor intends to submit an application to become a Licensed Producer of medical marijuana in early 2014.

Pursuant to a License, licensee may:

- (a) possess, produce, sell, transport and deliver and destroy marijuana, including live plants, clippings and seeds;
- (b) produce, sell, possess, transport and deliver and destroy dried marijuana;
- (c) possess, transport and deliver and destroy cannabidiol; and
- (d) possess, transport and deliver and destroy delta-9-tetrahydrocannabinol.

A licensee may sell or provide:

- (a) marijuana to:
 - (i) another Licensed Producer;

- (ii) a licensed dealer (as defined in the MMPPR);
 - (iii) the Minister; or
 - (iv) a person to whom an exemption relating to the substance has been granted under section 56 of the CDSA;
- (b) dried marijuana to
- (i) a client or an individual who is responsible for the client,
 - (ii) a hospital employee, if the possession of the dried marijuana is for the purposes of and in connection with their employment, or
 - (iii) a person to whom an exemption relating to the dried marijuana has been granted under section 56 of the CDSA.

A licensee may also (i) ship dried marijuana to a health care practitioner in the case referred to in subparagraph 108(1)(f)(iii) of the CDSA; (ii) import marijuana if done in accordance with an import permit issued under section 75 of the CDSA; and (iii) possess marijuana for the purpose of export and export marijuana if done in accordance with an export permit issued under section 83 of the CDSA.

Initially, Health Canada may grant a licensee a license only with respect to the production and destruction of marijuana to enable the licensee to initiate production. The License must subsequently be amended to become a full license permitting the sale and transport of marijuana, giving the licensee full Licensed Producer status.

Principal Products

A License to Produce allows for the production of up to a defined number of kilograms of marijuana annually within a facility. Currently, the Vendor has a 2,500 square foot facility in British Columbia which it occupies and which the Company believes would meet the requirements of the MMPPR.

Marijuana can be vaporized, smoked or ingested to alleviate pain and other ailments. If the Vendor is successful in becoming a Licensed Producer and the Company exercises the Business Option, the Company anticipates commencing sale of products in late 2014 and, while no regulation exists on price, prices range from \$5 to \$20 per gram, depending on the strain. Typically, growth time and strain yield will determine whether a strain is low or high priced. Very particular strains may be priced higher but this would be the exception. The Company may also offer product for sale at wholesale prices to other Licensed Producers, which would lower both operating costs as well as margins on those sales. No such arrangements are presently in place.

The Vendor and the Company believe that carrying a wide variety of strains of medical marijuana is essential to long-term success. Each strain of medical marijuana is unique. Some of the factors that impact whether a particular strain may be right for a customer include:

- The levels of THC and CBD: THC and CBD are the two major medicinal components in marijuana, and must be clearly and accurately labelled. Generally speaking, THC provides psychoactive effects while CBD provides non-psychoactive effects.
- Whether the plant is a Sativa or Indica breed: Sativa and Indica are the two main types of cannabis plants, though there are also Sativa-Indica hybrids. Generally speaking, Indica is perceived to provide a heavier, evening type of high. Sativa, on the other hand, is generally viewed as providing a daytime, energetic high.

The Company believes that being able to match customers with a number of strains that are appropriate for their ailment as well as different times of the day will be a significant advantage. Further, finding the right product for a customer's condition may require sampling a variety of strains, as every person is unique. The Company will therefore focus on providing personal and online support throughout the entire selection process.

Clients of the Company will order medical marijuana primarily through the Company's online store with telephone orders as a secondary source. Medical marijuana is delivered to clients by way of bonded courier or other method of delivery permitted by the MMPR.

The MMPR also provides that Licensed Producers are also allowed to sell marijuana to each other. How this market will develop remains to be seen. From time to time the Vendor may enter into agreements with other Licensed Producers to acquire medical marijuana for resale where the Vendor's own supplies do not match up with customer demand.

Operations

As of the date of this Listing Statement, the Vendor's business involves the growing of marijuana indoors through hydroponic processes for personal use in accordance with the MMAR. The Vendor began production in May 2013. Should the Vendor be successful in its application to become a licensed Producer, it will initiate a client registration process with the goal of commencing the sale and distribution of its products in late 2014.

The Vendor currently owns its own facility in Okanagan Falls, British Columbia. The Vendor has cost effectively facilitated Personal-use Production License holders production of monthly crops of approximately 16,000 grams/month of medical marijuana in full compliance with all regulatory authorities.

The medical marijuana currently produced by private license holders requires a strictly controlled and augmented growing environment to consistently reach optimal plant characteristics in 90 days. The Vendor has designed and constructed 3 indoor purpose specific greenhouses, each of which are planted monthly, and harvested at 90 days.

Each greenhouse is fully climate controlled, with all key growing elements monitored and computer controlled to ensure consistent production. There are production elements, which require brief manual monitoring and intervention on a daily basis, but all key environmental functions are electronically controlled. The details of the process are highly commercially sensitive and valuable, and will not be disclosed until a full sale transaction is concluded.

The facility has been built to be fully compliant with all relevant building and safety requirements. All electrical, plumbing, security, and related plant and equipment are built to full commercial standards..

The facilities and equipment required to manage production under the MMPR includes the following:

- (a) Walk-in vault to comply with the Health Canada Security Directives for Controlled Substances;
- (b) Building security, including access control, video surveillance and motion detectors;
- (c) Shipping bay for client shipments;
- (d) Growing equipment, including trays, containers, specialized lighting and associated controls, circulating fans and watering systems;
- (e) HVAC systems, primarily exhaust and cooling, to maintain an optimal growing environment;

- (f) Enhanced electrical distribution primarily for the high intensity lighting systems; and
- (g) Laboratory equipment to monitor and test product quality for compliance with the Food and Drugs Act, Pest Control Products Act and product labelling standards under the MMPR.

Health Canada regulations stipulate that the value of finished goods that can be held in inventory cannot exceed the licensed limitations tied to the security level of the facility. The facility's security level, as outlined in the Health Canada Directive on Physical Security Requirements for Controlled Substances, is established through a mix of perimeter, restricted area and storage vault physical and monitoring requirements as well as proximity to urban areas of the facility.

The primary specialized skill unique to the medical marijuana industry is with respect to the growing of product. While a background in the growing of marijuana specifically may be helpful, the nature of growing marijuana does not differ substantially from the nature of growing any other greenhouse product. These skills are generally available. The Company will also require client care staff which will grow as the business of the Company grows. Customer care staff is a skillset that is also generally available in the market.

Differentiation in the strains of medical marijuana is primarily achieved through the procurement of seeds. Obtaining seeds for growing medical marijuana must be done in accordance with the MMPR. Seeds must be obtained from a legal source which includes seeds acquired from Health Canada, seeds imported from a jurisdiction allowed to export seeds or seeds acquired from a designated grower or personal use license holder under the prior medical marijuana program. An authorization from Health Canada is required to conduct such a transaction.

Equipment used is specialized, but is readily available and not specific to the cultivation of medical marijuana. Subject to available funding, The Company does not anticipate any difficulty in obtaining equipment as needed.

The Vendor has approximately one full-time employee and an additional unpaid part time assistant as of the date of this Listing Statement.

Market

On its web site, Health Canada indicates that as of December 2012 there were 28,115 individuals licensed to possess and consume dried marijuana for medicinal purposes in Canada. According to a Canadian Broadcasting Corporation report on January 28, 2014, in 2013 there were 38,000 authorized users of medical marijuana in Canada with a combined prescribed 190,000 kg of medical marijuana per year. Health Canada officials have been widely quoted as stating that Health Canada anticipates the number of Canadians authorized to consume medical marijuana could be as high as 450,000 by 2024.

According to the Regulatory Impact Analysis Statement prepared by the Department of Health in connection with the introduction of the MMPR, the average dosage for licenses granted to individual users by Health Canada is ten (10) grams of marijuana per day. For purpose of business planning, the Company has assumed an average dosage of 1.5 grams per day and an average retail price of \$8.80 per gram, which is the retail price estimate used in the Regulatory Impact Analysis Statement prepared by the Department of Health.

The market for medical marijuana in Canada is tightly controlled by and subject to regulation, including the MMPR and the CSDA. The commercial medical marijuana industry is a new industry and the Company anticipates that such regulations will be subject to change as the Federal Government monitors Licensed Producers in action. The Company does not currently have any plans to sell medical marijuana outside of Canada.

On March 21, 2014 the Federal Court of Canada issued an order in response to a motion brought by four individuals (the "**Applicants**"). Among other things, the Federal Court ordered the following:

- 1 The Applicants who, as of March 21, 2014, hold a valid Authorization to Possess pursuant to section 11 of the MMAR, are exempt from the repeal of the MMAR and any other operation of the MMPR which are inconsistent with the operation of the MMAR, to the extent that such an Authorization to Possess shall remain valid until such time as a decision in the case is rendered and subject to the terms in paragraph 2;
- 2 The terms of the exemption for the Applicants holding a valid Authorization to Possess pursuant to section 11 of the MMAR shall be in accordance with the terms of the valid Authorization to Possess held by that Applicant as of March 21, 2014, notwithstanding the expiry date stated on that Authorization to Possess, except that the maximum quantity of dried marihuana authorized for possession shall be that which is specified by their licence or 150 grams, whichever is less;
- 3 The Applicants who held, as of September 30, 2013, or were issued thereafter a valid Personal-use Production Licence pursuant to section 24 of the MMAR, or a Designated-person Production Licence pursuant to section 34 of the MMAR, are exempt from the repeal of the MMAR any other operation of the MMPR which is inconsistent with the operation of the MMAR, to the extent that the Designated-person Production Licence or Personal-use Production Licence held by the Applicant shall remain valid until such time as decision in the case is rendered at trial and subject to the terms of paragraph 4; and
- 4 The terms of the exemption for an Applicant who held, as of September 30, 2013, or was issued thereafter a valid Personal-use Production Licence pursuant to section 24 of the MMAR or a Designated-person Production Licence pursuant to section 34 of the MMAR, shall be in accordance with the terms of their licence, notwithstanding the expiry date stated on that licence.

The foregoing means that (i) the Applicants who held a license to possess marijuana under the MMAR on March 21, 2014 can continue to possess marijuana in accordance with the terms of that license except that the maximum quantity of dried marihuana authorized for possession shall be that which is specified by their licence or 150 grams, whichever is less; and (ii) the Applicants who held, as of September 30, 2013, or were issued thereafter a valid license to produce marijuana under the MMAR can continue to produce medical marijuana in accordance with the terms of that license; in each case until such time as the Federal Court decides the merits of the case.

As of the date of this Listing Statement it is not clear how the Federal Government will react to this order or whether it will be applied to all holders of possession and production licenses previously issued under the MMAR. If Health Canada applies this order to all existing holders of possession and production licenses the Company expects that the immediate effect will probably be a lower number of existing MMAR patients than may have otherwise been anticipated registering with the Vendor as some may choose to continue to acquire or grow their own marijuana as they have been doing until the issue is finally settled by the courts.

Because the court order applies only to existing MMAR license holders, it does not exempt new patients who were not licensed under the old rules from having to acquire their medical marijuana from licensed producers under the MMPR. As a result, it is not anticipated that the order will have any effect on the opportunity to supply medical marijuana to new entrants. Based on Health Canada's predictions with respect to the growth in the number of users of medical marijuana in Canada, it is anticipated that the number of new users in coming years will outnumber those who were licensed to possess or produce medical marihuana under the MMAR.

In addition, it is anticipated that problems with supply under the current system and the expertise, time and costs associated with growing one's own medical marihuana may be sufficient to cause some who have an existing license to possess and/or produce marijuana under the MMAR to choose to acquire their supply of medical marijuana from a licensed producer such as the Company, despite the terms of the recent court order.

It is unclear and not foreseeable what the Federal Court may ultimately decide when it hears the full case brought by the Applicants. If the court renders a decision consistent with the terms of its recent order, the

effects on the addressable market for the Vendor's products would be expected to continue. See "Risk Factors".

Market Plans and Strategies

The Company's business model is based acquiring businesses that are focused on selling high quality medical marijuana with recurring sales to a loyal and growing clientele.

When the MMPR fully replaces the existing medical marijuana access program in April 2014, based on Health Canada reports, it is believed that there will be approximately 40,000 licensed users of medical marijuana whose only legal source of supply will be one of the Licensed Producers under the MMPR. Given the disruption in the market and the anticipation of a substantial increase in cost, the Company believes it will take several months before the market fully makes the transition.

Under the new process for medical marijuana under the MMPR, clients are no longer required to obtain a license to possess marijuana from Health Canada. Instead, clients must obtain a prescription and medical approval from their physician or nurse practitioner and provide the medical document to the Licensed Producer from which they wish to purchase marijuana. To change Licensed Producers, the client must obtain a new prescription and resubmit all materials to the new Licensed Producer. The Company believes this process imposes a practical barrier to changing Licensed Producers and will help with client retention.

The Company believes that Health Canada's revised policy for the production and dispensing of medical marijuana under the MMPR will be disruptive for both producers and consumers, transforming the current industry into one of commercial scale. Consumers that rely on medical marijuana as a form of medical treatment will be required to seek new sources of supply from a distinctly different type of supplier. The Company intends to develop a media program and capitalize on the efforts of other producers to engender an empathetic and professional image and to mitigate consumers' concerns of reduced quality and impersonal service.

Like other producers, the Company will develop a comprehensive media relations program to create visibility and awareness in the nascent market for commercially grown medical marijuana. The Company believes that its success in this market will be achieved by offering on a broad range of quality products offered at competitive prices and delivered through outstanding client service under a well identified brand. Each strain of medical marijuana is unique and the Company believes that carrying a wide variety of strains is essential to its long-term success as it will enable the Company to better match customers with the strain(s) that are appropriate for their respective ailments.

Licensed producers such as the Vendor are not allowed to advertise their products to the public. However, a Licensed Producer is allowed to promote its products to doctors. As such, a key element of the Company's strategy will be to reach doctors through direct and indirect outreach. This will involve engagement through continuing education and similar events; recruitment of medical thought leaders to support the Company's strategy; and direct outreach via one or more academic detailers.

Additionally, the Company will work to maximize media coverage and public relations activities. Reaching potential customers through a strong online presence and word of mouth will also be important. Indirect outreach through collaboration with key stakeholders may be undertaken to reach potential clients, but no such relationships exist at present.

In a given year, it is expected that the Vendor will invest in attendance at 2 to 4 medical community events, likely each with a cost of approximately \$15,000 to \$20,000. Additionally, the Company expects to invest in specific events 2 to 4 times a year to generate media coverage, each at a cost of approximately \$5000 to \$15,000. Compensating approximately 8 doctors to participate on the Vendor's Medical Advisory Committee (when formed) will cost approximately \$80,000 per year. Compensating three academic detailers will cost approximately \$400,000 including salaries and expenses.

The MMPR also provides that Licensed Producers are also allowed to sell to each other. How this market will develop remains to be seen. Some Licensed Producers may purchase medical marijuana wholesale from other Licensed Producers and sell the product to registered clients. In other cases, it is anticipated that Licensed Producers may sell amongst themselves from time to time in order to overcome short term supply and demand imbalances.

The Company may enter into a small number of wholesale arrangements with Licensed Producers who do not plan on growing medical marijuana themselves. These agreements are expected to take the form of (i) a fixed sale price (varying by quantity purchased) in the range of \$3.50-4.40 per gram, or (ii) sales with a fixed wholesale floor price but with a final price based on revenue achieved by the purchaser at the retail level.

Competition

CanniMed of Saskatchewan, the supplier to the Federal Government since the medicinal marijuana program was introduced in 2001, was awarded a licence as a Licensed Producer in the fall of 2013. To the date of this Listing Statement, ten others, namely Delta 9 Bio-tech Inc. Greenleaf Medicinals Ltd., In the Zone Produce Ltd, Mettrum Ltd., Canna Farms Ltd, The Peace Naturals Projects Inc., Bedrocan Canada Inc., MedReleaf Corp, Thunderbird Biomedical Inc., Whistler Medical Marijuana Corp. and Tweed Marijuana Inc. have been granted Licensed Producer status by Health Canada.

As is the case with the Vendor, there are also a number of existing producers of medical marijuana operating under the prior regulatory regime who have or will seek to obtain Licensed Producer Status under the MMPR. The Company believes that the stringent requirements of the MMPR may prove too onerous for some of those existing producers. However, the Company does believe that the Vendor possesses the business plan and key industry veterans to be successful.

The Company believes that its strong leadership team, strategy to achieve industry brand dominance, commitment to high quality competitively priced strains, outstanding client service and a properly capitalized operation will enable the Company to establish and retain a leadership position in the market.

As marijuana is largely perceived as a commodity product, there is initially little to differentiate the Vendor's products in terms of unique products, features or benefits. The Company intends to compete aggressively in terms of product quality, variety and price; and to excel in client service, media and investor relations to capture a solid and sustainable position in the market.

Intellectual Property

The Vendor does not have and has not applied for any registered intellectual property.

Reporting Requirements

In addition to general reporting requirements prescribed by the MMPR, a Licensed Producer is required to make a report of the following additional information to the Office of Controlled Substances of Health Canada on a monthly basis, unless otherwise stated:

- 1 the total amount of dried marihuana (in kilograms) produced in the reporting period;
- 2 the total amount of dried marihuana (in kilograms) sold to the following during the reporting period:
 - (a) Registered clients;
 - (b) Other licensed producers;
 - (c) Licensed dealers; and

- (d) Other clients;
- 3 the total number of persons that were registered clients of the licensee at the end of the reporting period, including only those persons whose registrations were valid on the last day of the reporting period, and the total number of persons that were registered as new clients of the licensee during the reporting period;
 - 4 the number of registered clients who tried to register with the licensee, but could not be registered, regardless of the reason and the number of clients who placed orders or tried to place orders that could not be filled, regardless of the reason;
 - 5 the total amount of dried marihuana (in kilograms) as of the final day of the reporting period;
 - 6 the total amount of dried marihuana (in kilograms) that the licensee imported and exported during the reporting period;
 - 7 the total amount of dried marihuana (in grams) lost and/or stolen and destroyed during the reporting period;
 - 8 the total number of shipments sent to the following during the reporting period:
 - (a) Registered clients;
 - (b) Other licensed producers;
 - (c) Licensed dealers; and
 - (d) Other clients;
 - 9 the total number of shipments sent to the following in each province and territory.
 - (a) Registered clients;
 - (b) Other licensed producers;
 - (c) Licensed dealers; and
 - (d) Other clients;
 - 10 the average and median daily amount of dried marihuana (in grams) supported by Health Care Professionals to be used by the registered clients of the licensee;
 - 11 the average and median shipment size (in grams) sent to registered clients during the reporting period;
 - 12 the ten highest and ten lowest amounts of dried marihuana shipped to registered clients in the reporting period (the name or other information of the registered client must not be identified.);
 - 13 the total number of shipments of dried marihuana to registered clients in various defined ranges (in grams); and
 - 14 a list of all physicians and all nurse practitioners who provided a medical document for a registered client in the reporting period, and the location and the number of medical documents the physician or nurse practitioner signed during the reporting period.

Business Objectives and Milestones

Upon exercise of the Business Option and the acquisition of the Vendor, Supreme's primary business will to produce and achieve commercial distribution of medical marijuana in Canada. With the funds available upon completion of the Offering, and assuming that the Vendor becomes a Licensed Producer, Supreme's business objectives will be to (i) acquire advanced agricultural equipment and update current facilities, (ii) increase production capacity and output (iii) retain the License for the sale of medical marijuana, and (iv) commercialize and market its products in Canada.

Objective	Milestone	Anticipated Cost	Timeline from date hereof
Acquire Licensed Producer	Closing of Acquisition of Vendor	\$1,250,000	6 months
Update technology and facilities	Issuance of conditional license	400,000	8 months
Increase production	Receipt of final license	75,000	9 months
Implement marketing plan	Receipt of final license	25,000	9 months
Total		\$1,750,000	

The timing will be dependent on a number of factors beyond the control of the Company including, but not limited to, regulatory approval. Supreme's currently available funds will not be sufficient to complete the objectives described above.

Available Funds and Principal Purposes

Supreme currently has no revenues from its operations. Recent warrant exercises have resulted in Working Capital as at April 7, 2014 (unaudited) of \$622,331.

Supreme intends to use its funds over the next 12 months as described in the table below. However, there may be circumstances where, for sound business reasons, a reallocation of the net proceeds may be necessary. The actual amount that the Company spends in connection with each of the intended uses of proceeds may vary significantly from the amounts specified below, and will depend on a number of factors, including those referred to under "*Risk Factors*". At this time Supreme does not intend to use the proceeds of the distribution to fund anticipated negative cash flow from operating activities, except to the extent described below.

	Available Funds
Option payment	\$ 150,000
Additional business options	150,000
General and Administrative	100,000
Working Capital	322,331
TOTAL	\$ 622,331

Notes:

- (1) Additional funds will need to be raised if the Business Option is exercised, the exact amount of which will be determined by how much of the exercise price the Vendor elects to take in treasury shares.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The Annual Financials, Annual MD&A, Interim Financials and Interim MD&A have been incorporated by reference into this Listing Statement and can be viewed at www.sedar.com.

The following is a summary of selected financial information for Supreme for the periods indicated which should be read in conjunction with the unaudited interim financial statements of Supreme and the notes thereto for the six months ended December 31, 2013 and the audited financial statements of Supreme and the notes thereto for the years ended June 30, 2013, 2012 and 2011.

	Interim Period ended December 31, 2013	Financial Year ended June 30, 2013	Financial Year ended June 30, 2012	Financial Year ended June 30, 2011
Net Sales	\$Nil	\$Nil	\$Nil	\$Nil
Net Income (Loss)	\$(345,579)	\$(611,763)	\$(812,218)	\$(345,579)
Total Assets	\$381,274	\$303,538	\$647,538	\$1,449,196
Total Long Term Liabilities	\$Nil	\$Nil	\$Nil	\$Nil

Until recently, Supreme's business was acquiring and developing mining properties in Canada. To date the Company has not yet generated revenues from such operations and is considered to be in the exploration stage company.

In January of 2014, due to prevailing market conditions, the Company determined that it should pursue a line of business in the pharmaceutical and bio-medical device fields, in addition to its mineral resource business. The Company will continue to evaluate other pharmaceutical and bio-medical businesses, including those involved in medical marijuana, in order to identify those entities that best fit its plans for organic growth

Below is a summary of the quarterly results of the Company, ending at the end of the most recently completed financial year.

	2013				2012			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income (Loss) per share basis, basic and diluted per share	(454,416) (0.01)	(68,768) (0.00)	(59,687) (0.00)	(28,874) (0.00)	(381,374) (0.01)	(56,070) (0.00)	(54,328) (0.00)	(320,146) (0.01)

MANAGEMENTS DISCUSSION AND ANALYSIS

The Annual MD&A and Interim MD&A have been incorporated by reference into this Listing Statement and can be viewed at www.sedar.com.

MARKET FOR SECURITIES

The Common Shares are currently listed and posted for trading on the TSXV under the trading symbol "SL".

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Company as at June 30, 2013, and as of March 31, 2014.

Authorized	Outstanding as at June 30, 2013 (audited)	Outstanding as at March 31, 2014 (unaudited)
Debt	\$611,763	\$391,076
Common Shares (unlimited)	\$7,938,555 (48,174,362 Common Shares)	\$8,333,215 (128,074,362 Common Shares)
Preferred Shares (unlimited)	Nil	Nil

Notes:

- (1) As at June 30, 2013, the balance sheet disclosed a deficit of \$8,626,726.
(2) As at the date of this Listing Statement, 500,000 Options are issued and outstanding.

OPTIONS TO PURCHASE SECURITIES

Upon completion of the Transaction, an aggregate of 500,000 Common Shares are reserved for issuance pursuant to Options as set forth below.

Optionee	Type of Option	Common Shares Issuance	Exercise Price	Expiry Date
Officers	Incentive Stock Option			
Subtotal				
Directors				
	Incentive Stock Option	250,000	\$0.10	July 26, 2014
Employees	Incentive Stock Option			
Consultants	Incentive Stock Option	250,000	\$0.10	July 26, 2014
Other	Incentive Stock Option			
Total				

The Company has an Option Plan pursuant to which the Board may, from time to time, grant options to directors, officers, employees and consultants of the Company. The number of Common Shares granted under each option and the vesting terms thereof are in the discretion of the Board. Options granted under the Option Plan must have a term of no more than five years from the date of grant. The exercise price of each option granted under the Option Plan is in the discretion of the Board, provided that the exercise price cannot be below the closing price of the Common Shares on the TSXV on the last trading day before the date of grant. Any outstanding options granted under the Option Plan expire on a date not exceeding 90 days following the date that the holder ceases to be an officer, director, employee or consultant of the Company, as the case may be, except in the case of death in which case the options expire one year from the date of death. Options granted under the Option Plan are non-assignable and non-transferable. Outstanding options granted under the Option Plan may be adjusted in certain events, as to exercise price (subject to disinterested shareholder approval prior to any reduction to the exercise price if the affected optionee is an insider (as defined in the Securities Act) of the Company at the time of the proposed amendment) and number of Common Shares, to prevent dilution or enlargement. The number of Common Shares that may be optioned under the Option Plan is limited to 10% of the outstanding Common Shares from time to time; provided, that any one participant under the Option Plan shall not be entitled to receive options to acquire an aggregate of greater than 5% (2% in the case of consultants) of the outstanding Common Shares in any 12 month period.

DESCRIPTION OF SECURITIES

Common Shares

Holders of Common Shares are entitled to receive notice of and to attend and vote at all meetings of shareholders of the Company, except meetings of holders of another class of shares. Each Common Share entitles the holder thereof to one vote. Subject to the preferences accorded to holders of any other shares of the Company ranking senior to the Common Shares, Shareholders are entitled to dividends if, as and when declared by the Board of Directors. In the event of the liquidation, dissolution or winding up of the Company, the holders of Common Shares, subject to the preferences accorded to any other shares of the Company ranking senior to the Common Shares, are entitled to share equally, share for share, in any remaining assets of the Company.

PRIOR SALES

The following table summarizes the issuances of Common Shares or securities convertible into Common Shares for the 12 month period prior to the date of the Listing Statement.

Date Issued	Class of Security	Number of Common Shares Issued/Issuable	Price/Deemed Price/Exercise Price of Security
September 30, 2013	Common Shares ⁽¹⁾	79,900,000	\$0.005
September 30, 2013	Warrants ⁽¹⁾	79,900,000	\$0.05
April 7, 2014	Common Shares ⁽²⁾	15,250,000	\$0.05
April 14, 2014	Common Shares ⁽²⁾	5,938,000	\$0.05

Notes:

- (1) The Company issued 79,900,000 units at \$0.005 per unit for gross proceeds of \$399,500. Each unit consisted of one Common Share and one Common Share purchase warrant entitling the holder to purchase one Common Share at a price of \$0.05 per Common Share for 12 months from closing. .
- (2) Exercise of Warrants.

Stock Exchange Price

The Common Shares are listed and posted for trading on the TSXV under the trading symbol "SL". The following table sets forth the daily high and low closing trading prices and the volume of the trading of the Common Shares, on days which there was trading activity, on the TSXV for the periods indicated.

	Price Range Per Common Share		Volume
	High	Low	
Third Quarter 2011	\$0.050	\$0.025	1,156,359
Fourth Quarter 2011	\$0.035	\$0.010	1,906,301
First Quarter 2012	\$0.020	\$0.005	1,168,520
Second Quarter 2012	\$0.020	\$0.005	1,983,875
Third Quarter 2012	\$0.010	\$0.005	1,722,910
Fourth Quarter 2012	\$0.010	\$0.005	1,004,120
First Quarter 2013	\$0.010	\$0.005	1,408,400
Second Quarter 2013			
October	\$0.010	\$0.005	374,300
November	\$0.005	\$0.005	365,600
December	\$0.010	\$0.005	705,333
Third Quarter 2013			
January 2014	\$0.010	\$0.005	818,700
February 2014	\$0.050	\$0.050	140,500
March 2014	\$0.080	\$0.010	135,158,065
April (1 - 14) 2014	\$0.085	\$0.05	64,316,415

ESCROWED SECURITIES

The Company has no escrowed securities.

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and executive officers of the Company, no person, firm or Company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company.

DIRECTORS AND OFFICERS

The following table sets forth the names and location of residence of the officers and directors of the Company, their positions and their principal occupations.

Name and Municipality of Residence	Position with the Company ⁽¹⁾	Number of Common Shares	Principal Occupation for the Past 5 Years
David Stadnyk ⁽¹⁾⁽²⁾ Vancouver, B.C.	Chief Executive Officer and Director	4,730,000 3.7%	President and Chief Executive Officer of First Sahara Energy Inc. from July 2013 to April 2014; President and Chief Executive Officer of Guerrero Exploration Inc. from March 2010 to 2013; President and Chief Executive Officer of Fifth Avenue Diversified Inc. from November 2007 to December 2009; President and Chief Executive Officer for Park Place Energy Corp. from May 2006 to November 2008.
George Tsafalas ⁽¹⁾⁽²⁾ Vancouver, B.C.	Director	3,000,000 2.3%	Director of First Sahara Energy Inc. from July to present Director of Guerrero Exploration Inc. from March 2010 to January 2013. Chief Financial Officer of Eupraxia Pharmaceuticals Inc. from August 2012 to January 2014; Chief Financial Officer of Birch Lake Energy Inc. from July 2010 to February 2012; Chief Financial Officer of Canadian Energy Exploration Inc. from January 2010 to September 2011; President and Chief Executive Officer of AXQP Inc. from April 2008 to February 2009.
Allan E. Levien ⁽¹⁾⁽²⁾ Coquitlam, B.C.	Director	7,724,000 6.0%	President and Chief Executive Officer of Supreme Resources Ltd. since December 2006 and now a Director; Hotelier.
Tatiana Kovaleva ⁽³⁾ Vancouver, B.C.	Chief Financial Officer and Corporate Secretary	Nil	Chief Financial Officer of First Sahara Energy Inc. since January 2014.

Notes:

- (3) Messrs. Tsafalas and Stadnyk were appointed directors on October 2, 2013. Mr. Levien was appointed a director on December 13, 2007. The term of office of each director expires at the next annual meeting of shareholders of the Company.
- (4) Member of the Audit Committee.
- (5) Ms. Kovaleva was appointed as Chief Financial Officer on October 2, 2013.

The following are brief profiles of the management of Supreme, including a description of each individual's principal occupation within the past five years.

David Alexander Stadnyk – Chief Executive Officer and Director (Age 51)

Mr. Stadnyk is the founder of Stadnyk and Partners. Mr. Stadnyk has extensive knowledge in the public capital markets and strong relationships with global investment banks and independent boutique investment dealers. Mr. Stadnyk has provided a variety of leadership, investment and developmental

roles in the biotech and pharmaceuticals sector and resource sector. He has more than 25 years of investment banking experience and he has successfully completed equity capital fundraising efforts in excess of well over \$500 MM. Mr. Stadnyk was co-founder of Praxis Pharmaceuticals Inc. now Pharmaxis Pharmaceuticals Inc. and co-founder of Eupraxia Pharmaceuticals Inc. From 1998 to 2006, Mr. Stadnyk was the President of Patch International Inc., an international junior oil and gas exploration and production company. Mr. Stadnyk was a Director of Birch Lake Energy Inc., Canadian Energy Exploration Inc., President and Chief Executive Officer of Guerrero Exploration Inc., President and Chief Executive Officer of First Sahara Energy Inc., and co-founder and Director of Arsenal Energy Inc., listed on the TSX Venture Exchange. It is expected that Mr. Stadnyk will devote approximately 50% of his time to the Company.

Allan Levien - Director (Age 72)

Mr. Levien was appointed a director on December 13, 2007 and was president from 2007 to 2013. It is expected that Mr. Levien will devote approximately 30% of his time to the Company. Mr. Levien is a hotelier.

George Tsafalas - President, Chief Executive Officer and Director (Age 45)

Mr. George Tsafalas is currently a Director of First Sahara Energy Inc. listed on the CSE. Mr. Tsafalas is a former Director of Guerrero Exploration Inc. Mr. Tsafalas was the Chief Financial Officer of Eupraxia Pharmaceuticals Inc., private company. Mr. Tsafalas was the Chief Financial Officer and a Director of Canadian Energy Exploration Inc. and Birch Lake Energy Inc., both listed on the Exchange. Mr. Tsafalas was the President, Chief Executive Officer and a director of AXQP Inc., listed on the Exchange and NEX. It is expected that Mr. Tsafalas will devote approximately 40% of his time to the Company

Tatiana Kovaleva - Chief Financial Officer and Corporate Secretary (Age 58)

Mrs. Kovaleva is the Chief Financial Officer of First Sahara Energy Inc. since January 2014. It is expected that Mrs. Kovaleva will devote approximately 40% of her time to the Company

Share Ownership by Directors and Officers

As a group, the directors and officers of Supreme will beneficially own or exercise control or direction over, directly or indirectly, 15,454,000 Common Shares representing approximately 12.1% of the issued and outstanding Common Shares.

Corporate Cease Trade Orders

To the knowledge of the Company, no director or executive officer of Supreme (nor any personal holding company of any of such persons) is, as of the date of this prospectus, or was within 10 years before the date of this prospectus, a director, chief executive officer or chief financial officer of any company (including the Company), that: (a) was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days (collectively, an "**Order**"), that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

To the knowledge of the Company, no director or executive officer of Supreme (nor any personal holding company of any of such persons), or shareholder holding a sufficient number of securities of the Company to affect materially the control of Supreme: (a) is, as of the date of this prospectus, or has been within the 10 years before the date of this prospectus, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to

bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has, within the 10 years before the date of this prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

To the knowledge of the Company, no director or executive officer of Supreme (nor any personal holding company of any of such persons), or shareholder holding a sufficient number of securities of Supreme to affect materially the control of Supreme, has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Certain officers and directors of the Company are also officers and/or directors of other entities engaged in the natural resources or the pharmaceutical and biomedical device businesses generally. As a result, situations may arise where the interest of such directors and officers conflict with their interests as directors and officers of other companies. The resolution of such conflicts is governed by applicable corporate laws, which require that directors act honestly, in good faith and with a view to the best interests of Supreme. Conflicts, if any, will be handled in a manner consistent with the procedures and remedies set forth in the BCBCA. The BCBCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the BCBCA.

CAPITALIZATION

	Number of Common Shares (non-diluted)	Number of Common Shares (fully diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total Outstanding (A)	149,262,362 ⁽¹⁾	208,474,362	100	100
Held by Related Persons or employees of the Issuer or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	15,454,000 ⁽²⁾	22,454,000	10.4%	10.8%
Total Public Float [(A)-(B)]	133,808,362	186,020,362	89.6%	89.2%
Freely-Tradeable Float				
Number of outstanding common shares subject to resale restrictions, including restrictions imposed by polling or other arrangements or in a shareholder agreement and securities held by control block holders	0	0	-	-
Total Tradeable Float	149,262,362	208,474,362	100%	100%

Notes:

- (1) As of April 14, 2014 including all common share purchase warrants that have, to the knowledge of the Company, been exercised. As of April 14, 2014 reported by Broadridge Financial Solutions Inc., there are 125,556,798 Common Shares issued and outstanding and 144,812,362 as reported by Computershare Trust Company of Canada.

(2) As of April 14, 2014. Includes only those securities reported on SEDI by directors, officers and current 10% holders.

Public Securityholders (Registered and Beneficial)⁽¹⁾

Size of Holding	Number of Holders	Total Number of Common Shares
1 - 99 Common Shares	0	0
100 - 499 Common Shares	16	3,969
500 - 999 Common Shares	22	13,989
1,000 -1,999 Common Shares	57	68,799
2,000 - 2,999 Common Shares	72	156,732
3,000 - 3,999 Common Shares	51	164,536
4,000 - 4,999 Common Shares	32	132,796
5,000 or more Common Shares	1,406	109,561,977

Notes:

(1) As of April 14, 2014 reported by Broadridge Financial Solutions Inc., there are 125,556,798 Common Shares issued and outstanding and 144,812,362 as reported by Computershare Trust Company of Canada. Does not include Common Shares issued on the exercise of warrants not yet processed by Supreme's transfer agent and Non-Public Securityholders.

Non-Public Securityholders (Registered)

Size of Holding	Number of Holders	Total Number of Common Shares
1 - 99 Common Shares	-	-
100 - 499 Common Shares	-	-
500 - 999 Common Shares	-	-
1,000 -1,999 Common Shares	-	-
2,000 - 2,999 Common Shares	-	-
3,000 - 3,999 Common Shares	-	-
4,000 - 4,999 Common Shares	-	-
5,000 - or more Common Shares	3	15,454,000

Convertible and Exchangeable Securities

Description of Security (Including conversion/exercise/terms. including exercise/conversion price)	Number of convertible/exchangeable securities outstanding	Number of listed securities issuable upon conversion/exercise
Incentive options (\$0.10)	500,000	500,000
Warrants (\$0.05) ⁽¹⁾	58,712,000	58,712,000

Notes:

(1) Each option is exercisable for one Common Share at a price of \$0.10 per share until July 26, 2014.

(2) As of April 14, 2014. Each Warrant is exercisable for one Common Share at a price of \$0.05 per share with the expiration date September 30, 2014.

EXECUTIVE COMPENSATION

The disclosure required by Form 51-102F6 - *Statement of Executive Compensation* under National Instrument 51-102 *Continuous Disclosure Obligations* is provided in the Information Circular incorporated by reference into this Listing Statement. The Company has no intention of making any material changes to the compensation structure described in such document.

Assessment of Expected Compensation for 2014

Basic compensation of the named executive officers (the "**Named Executive Officers**") through the payment of the base salary will be targeted to be competitive against similarly sized companies within the industry, and will take into account the current and future financial condition of the Company. Although

Supreme expects to be in a position compensate the Named Executive Officer's within industry expectations, the Board believes that the base salary may have to be reviewed over the course of the 2014 fiscal year depending on the results of operations.

The anticipated initial base salary for the proposed Named Executive Officers of Supreme for the next 12 months is as set out below. Other elements of compensation, and the total compensation payable to the proposed Named Executive Officers of Supreme for the months following the date of this Listing Agreement will be provided in the management information circular sent to shareholders for the annual meeting of shareholder for the year ended June 30, 2014. For details of the options held by the officers and directors of Supreme as at the date of this Listing Agreement see "*Options to Purchase Securities*" above.

Name and Proposed Principal Position	Fiscal Year Ending June 30	Salary per month (\$)
David Stadnyk Chief Executive Officer	2014	\$10,000 ⁽¹⁾
Tatiana Kovaleva President and Chief Operation Officer	2014	\$3,500 ⁽¹⁾

Notes:

(1) Represents the proposed initial annual base salary for fiscal 2014 and will be reviewed by the Board prior to the next annual meeting of shareholders.

Pension Plan Benefits

It is not anticipated that Supreme will establish a pension plan, a defined benefit plan or any retirement savings programs for the Named Executive Officers or other employees of Supreme within the next 12 months.

Deferred Compensation Plans

It is not anticipated that Supreme will establish a deferred compensation plan for the Named Executive Officers or other employees of Supreme within the next 12 months.

Termination and Change of Control Benefits

Arrangements with the Named Executive Officers that provide for payments to such individuals in connection with any termination, resignation, retirement or change in control may be negotiated in the future.

Compensation of Directors

Compensation is anticipated to be paid to directors who are not executive officers for their services as directors under the same terms and conditions as provided for currently by Supreme. Directors may also be eligible to receive grants of stock options from time to time.

The anticipated initial base salary for the proposed non-employee Directors of Supreme for the next 12 months is as set out below.

Name and Proposed Principal Position	Fiscal Year Ending June 30	Salary per month (\$)
George Tsafalas Director	2014	\$9,000 ⁽¹⁾
Allen E. Levien Director	2014	\$3,000 ⁽¹⁾

Notes:

(1) Represents the proposed initial annual base compensation for fiscal 2014 and will be reviewed by the Board prior to the next annual meeting of shareholders.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Company was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company. None of the proposed nominees for election as a director of the Company, or any associate or affiliate of any director, executive officer or proposed nominee, was indebted to the Company as at the date hereof or at any time during the most recently completed financial year.

The Company has not provided any guarantees, support agreements, letters of credit or other similar arrangement or understanding for any indebtedness of any of the Company's directors, executive officers, proposed nominees for election as a director, or associates or affiliates of any of the foregoing individuals as at the date hereof or at any time during the most recently completed financial year of the Company

RISK FACTORS

An investor should carefully consider the following risk factors in addition to the other information contained in this Listing Statement. The risks and uncertainties below are not the only ones related to the Company. There are additional risks and uncertainties that the Company does not presently know of or that the Company currently considers immaterial which may also impair the Company's business operations. If any of the following risks actually occur, the Company's business may be harmed and its financial condition and results of operations may suffer significantly. The risk factors presented below related exclusively to the Company's additional line of business. For risk factors relevant to the Company's mineral resources exploration and development business see the Annual MD&A, which is incorporated by reference into this Listing Statement.

Reliance on License

Supreme's ability to grow, store and sell medical marijuana in Canada is dependent on the Vendor obtaining a License from Health Canada. Once obtained, failure to comply with the requirements of the license or any failure maintain such license would have a material adverse impact on the business, financial condition and operating results of Supreme. Any issued License will expire 12 months after issuance. Although Supreme believes that the Vendor will meet the requirements of the MMPR for obtaining a License, there can be no guarantee that Health Canada will grant the License or, if it is granted, that it will be extended or renewed on the same or similar terms. Should Health Canada not grant, extend or renew the License or should it renew the License on different terms, the business, financial condition and results of the operation of Supreme would be materially adversely affected.

Regulatory Risks

The activities of Supreme will be subject to regulation by governmental authorities, particularly Health Canada. Achievement of Supreme's business objectives are contingent, in part, upon compliance with regulatory requirements enacted by these governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of its products. Supreme cannot predict the time required to secure all appropriate regulatory approvals for its products, or the extent of testing and documentation that may be required by governmental authorities. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of Supreme.

Change in Laws, Regulations and Guidelines

Supreme's operations will be subject to a variety laws, regulations and guidelines relating to the manufacture, management, transportation, storage and disposal of medical marijuana but also including laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. While Supreme intends to comply with all such laws, changes to such laws, regulations and guidelines due to matters beyond the control of Supreme may cause adverse effects to Supreme's future operations.

On March 21, 2014 the Federal Court of Canada issued an order affecting the repeal of the MMAR and the application of certain portions of the MMPPR which are inconsistent with the MMAR in response to a motion brought by four individuals. This order and its anticipated effects on Supreme are described above under the heading "Narrative Description of the Business" As of the date of this Listing Statement it is unclear how the Government of Canada will react to this order or how the Federal Court of Canada might ultimately decide the case to which the order relates. The risks to the business of Supreme represented by this or similar actions are that they might lead to court rulings or legislative changes that allow those with existing licences to possess and/or grow medical marijuana and perhaps others to opt out of the regulated supply system implemented through the MMPPR, in which Supreme is applying to be a licensed producer. This could significantly reduce the addressable market for Supreme's products and could materially and adversely affect the business, financial condition and results of operations of Supreme.

Limited Operating History

Supreme has yet to generate revenue from the sale of products. Supreme is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that Supreme will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

Reliance on a Single Facility

Supreme's intends to focus its activities and resources on the Vendor's facility in [●], British Columbia and Supreme will continue to be focused on this facility for the foreseeable future. Adverse changes or developments affecting the facility could have a material and adverse effect on Supreme's business, financial condition and prospects. Through the terms of the lease for the facility Supreme will bear many of the costs of maintenance and upkeep of its portion of such facility. Supreme's operations and financial performance may be adversely affected if it is unable to keep up with the maintenance requirements of the facility.

Reliance on Management

The success of Supreme is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on Supreme's business, operating results or financial condition.

Factors which may Prevent Realization of Growth Targets

Supreme is currently in the early development stage. Supreme's growth strategy contemplates acquiring the Vendor or a similar medical marijuana producer and outfitting a facility with additional production resources. There is a risk that these additional resources will not be achieved on time, on budget, or at all, as they are can be adversely affected by a variety of factors, including some that are discussed elsewhere in these risk factors and the following:

- delays in obtaining, or conditions imposed by, regulatory approvals;
- plant design errors;
- environmental pollution;
- non-performance by third party contractors;
- increases in materials or labour costs;
- construction performance falling below expected levels of output or efficiency;
- breakdown, aging or failure of equipment or processes;
- contractor or operator errors;
- labour disputes, disruptions or declines in productivity;
- inability to attract sufficient numbers of qualified workers;

- disruption in the supply of energy and utilities; and
- major incidents and/or catastrophic events such as fires, explosions, earthquakes or storms.
-

As a result, there is a risk that Supreme may never have product for shipment in 2014 to meet the anticipated demand or to meet future demand when it arises.

Supreme has a history of net losses, may incur significant net losses in the future and may not achieve or maintain profitability

Supreme has incurred losses in recent periods. Supreme may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, Supreme expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If Supreme's revenues do not increase to offset these expected increases in costs and operating expenses, Supreme will not be profitable.

Additional Financing

The acquisition of the Vendor or other similar entities, the building and operation of production facilities and businesses are capital intensive. In order to execute the anticipated growth strategy, Supreme will require some additional equity and/or debt financing to support on-going operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to Supreme when needed or on terms which are acceptable. Supreme's inability to raise financing to support on-going operations or to fund capital expenditures or acquisitions could limit Supreme's growth and may have a material adverse effect upon future profitability.

If additional funds are raised through further issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions.

Competition

There is potential that Supreme will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and manufacturing and marketing experience than Supreme. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of Supreme.

Because of the early stage of the industry in which Supreme intends to operate, Supreme expects to face additional competition from new entrants. If the number of users of medical marijuana in Canada increases, the demand for products will increase and Supreme expects that competition will become more intense, as current and future competitors begin to offer an increasing number of diversified products. To be competitive, Supreme will require a continued high level of investment in research and development, marketing, sales and client support. Supreme may not have sufficient resources to maintain research and development, marketing, sales and client support efforts on a competitive basis which could materially and adversely affect the business, financial condition and results of operations of Supreme.

Risks Inherent in an Agricultural Business

Supreme's business will involve the growing of medical marijuana, an agricultural product. As such, the business is subject to the risks inherent in the agricultural business, such as insects, plant diseases and similar agricultural risks. Although Supreme expects that its products will be grown indoors under climate controlled conditions, carefully monitored by trained personnel, there can be no assurance that natural elements will not have a material adverse effect on the production of its products.

Vulnerability to Rising Energy Costs

Medical marijuana growing operations consume considerable energy, making such operations vulnerable to rising energy costs. Rising or volatile energy costs may adversely impact the business of Supreme and its ability to operate profitably.

Transportation Disruptions

Due to the perishable and premium nature of agricultural products, Supreme will depend on fast and efficient courier services to distribute its product. Any prolonged disruption of this courier service could have an adverse effect on the financial condition and results of operations of Supreme. Rising costs associated with the courier services used by Supreme to ship its products may also adversely impact the business of Supreme and its ability to operate profitably.

Unfavourable Publicity or Consumer Perception

Supreme believes the medical marijuana industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of the medical marijuana produced. Consumer perception of marijuana products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of medical marijuana products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favourable to the medical marijuana market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for Supreme's products and the business, results of operations, financial condition and cash flows of Supreme. Supreme's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on Supreme, the demand for medical marijuana products, and the business, results of operations, financial condition and cash flows of Supreme. Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of medical marijuana in general, or Supreme's products specifically, or associating the consumption of medical marijuana with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.

Product Liability

As a manufacturer and distributor of products designed to be ingested by humans, Supreme will face an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant loss or injury. In addition, the manufacture and sale of medical marijuana products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of medical marijuana products alone or in combination with other medications or substances could occur. Supreme may be subject to various product liability claims, including, among others, that Supreme's products caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances. A product liability claim or regulatory action against Supreme could result in increased costs, could adversely affect Supreme's reputation with its clients and consumers generally, and could have a material adverse effect on the Company's results of operations and financial condition. There can be no assurances that Supreme will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all.

The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of Supreme's potential products.

Product Recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any medical marijuana products are recalled due to an alleged product defect or for any other reason, Supreme could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. Supreme may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although Supreme intends to have detailed procedures in place for testing finished products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of Supreme's products were subject to recall, the image of that brand and Supreme could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for Supreme's products and could have a material adverse effect on the results of operations and financial condition of Supreme. Additionally, product recalls may lead to increased scrutiny of Supreme's operations by Health Canada or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Reliance on Key Inputs

Supreme's business will be dependent on a number of key inputs and their related costs including raw materials and supplies related to its growing operations, as well as electricity, water and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition and operating results of Supreme. Some of these inputs may only be available from a single supplier or a limited group of suppliers. If a sole source supplier was to go out of business, Supreme might be unable to find a replacement for such source in a timely manner or at all. If a sole source supplier were to be acquired by a competitor, that competitor may elect not to sell to Supreme in the future. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the business, financial condition and operating results of Supreme.

Dependence on Suppliers and Skilled Labour

The ability of Supreme to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that Supreme will be successful in maintaining its required supply of skilled labour, equipment, parts and components. It is also possible that the final costs of the major equipment contemplated by Supreme's capital expenditure program may be significantly greater than anticipated by Supreme's management, and may be greater than funds available to Supreme, in which circumstance Supreme may curtail, or extend the timeframes for completing, its capital expenditure plans. This could have an adverse effect on the financial results of Supreme.

Difficulty to Forecast

Supreme must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the medical marijuana industry in Canada. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of Supreme.

Operating Risk and Insurance Coverage

Supreme intends to obtain insurance to protect its assets, operations and employees. While Supreme believes insurance coverage can adequately address all material risks to which it may be exposed and is adequate and customary in its current state of operations, such insurance is subject to coverage limits and exclusions and may not be available for the risks and hazards to which Supreme is exposed. In addition, no assurance can be given that such insurance will be adequate to cover Supreme's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If Supreme were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if Supreme were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Management of Growth

Supreme may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of Supreme to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of Supreme to deal with this growth may have a material adverse effect on Supreme's business, financial condition, results of operations and prospects.

Conflicts of Interest

Certain of the directors and officers of Supreme are also directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of Supreme and as officers and directors of such other companies.

Litigation

Supreme may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which Supreme becomes involved be determined against Supreme such a decision could adversely affect Supreme's ability to continue operating and the market price for the Common Shares and could use significant resources. Even if Supreme is involved in litigation and wins, litigation can redirect significant company resources.

The market price of the Common Shares may be subject to wide price fluctuations

The market price of the Common Shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of Supreme, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Company, general economic conditions, legislative changes, and other events and factors outside of the Company's control. In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Common Shares.

Dividends

The Company has no earnings or dividend record, and does not anticipate paying any dividends on the Common Shares in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings.

Limited Market for Securities

Upon listing of the Company's shares, there can be no assurance that an active and liquid market for the Common Shares will develop or be maintained and an investor may find it difficult to resell any securities of the Company.

Environmental and Employee Health and Safety Regulations

Supreme's future operations will be subject to environmental and safety laws and regulations concerning, among other things, emissions and discharges to water, air and land, the handling and disposal of hazardous and non-hazardous materials and wastes, and employee health and safety. Supreme will incur ongoing costs and obligations related to compliance with environmental and employee health and safety matters. Failure to comply with environmental and safety laws and regulations may result in additional costs for corrective measures, penalties or in restrictions on our manufacturing operations. In addition, changes in environmental, employee health and safety or other laws, more vigorous enforcement thereof or other unanticipated events could require extensive changes to Supreme's operations or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of Supreme.

PROMOTERS

David A. Stadnyk and George Tsafalas are considered to be promoters of the Supreme in that they initiated its Change of Business transaction. Mr. Stadnyk holds 4,730,000 (3.7%) of the Common Shares and 4,000,000 common share purchase warrants (exercisable at \$0.05 and expire on September 30, 2014) and Mr. Tsafalas holds 3,000,000 (2.3%) of the Common Shares and 3,000,000 common share purchase warrants (exercisable at \$0.05 and expire on September 30, 2014).

LEGAL PROCEEDINGS

There are no claims, actions, proceedings or investigations pending against Supreme or, to the knowledge of Supreme, threatened against Supreme that, individually or in the aggregate, are material to Supreme or would prevent or materially delay the Transaction or the Offering. Neither Supreme nor its assets and properties is subject to any outstanding judgment, order, writ, injunction or decree that has had or would be reasonably expected to have a material adverse effect on Supreme or that would prevent or materially delay the Transaction or the Offering.

INTEREST IN MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Management of Supreme is not aware of a material interest, direct or indirect, of any director or officer of the Company, any director or officer of a body corporate that is itself an insider of the Company, any proposed nominee for election as a director of the Company, any principal shareholder, or any associate or affiliate of any such person, in any transaction for the 36 months preceding the date of this Listing Statement or in any proposed transaction which has materially affected or would materially affect the Company or.

AUDITOR, TRANSFER AGENTS AND REGISTRARS

The auditor of the Company is John Scholz, Chartered Accountant, of 7700 Pine Valley Drive, PO Box 72039, Woodbridge, Ontario L4L 8N8. John Scholz is the successor auditor to MNP LLP and was first appointed as auditor of the Company on November 25, 2013.

Supreme's transfer agent and registrar is Computershare Trust Company of Canada at its principal offices in Vancouver, British Columbia.

MATERIAL CONTRACTS

Supreme has not entered into any contracts material to investors in the Common Shares, other than the Business Option Agreement.

Copies of this agreement will be available for inspection at the offices of Norton Rose Fulbright Canada LLP, counsel to Supreme, Suite 3700, 400 – Third Avenue S.W., Calgary, Alberta T2P 4H2, during ordinary business hours.

INTEREST OF EXPERTS

No expert has prepared or certified a report or valuation described or included in this Listing Statement.

OTHER MATERIAL FACTS

There are no material facts not otherwise disclosed elsewhere in this Listing Statement.

CERTIFICATE OF SUPREME PHARMACEUTICALS INC.

Pursuant to a resolution duly passed by its Board of Directors, Supreme Pharmaceuticals Inc., hereby applies for the listing of the above mentioned securities on CNSX. The foregoing contains full, true and plain disclosure of all material information relating to Supreme Pharmaceuticals Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

DATED at Calgary, Alberta, this 14th day of April, 2014.

"David Stadnyk"

David Stadnyk
Chief Executive Officer

"Tatiana Kovaleva"

TATIANA KOVALEVA
Chief Financial Officer

*And on behalf of the Board
of Directors by*

"George Tsafalas"

GEORGE TSAFALAS
Director

"Allen Levien"

ALLEN LEVIEN
Director