

Form 62-103F1

Required Disclosure Under the Early Warning Requirements

Item 1 - Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

This report relates to the common shares ("**Common Shares**") of CloudMD Software & Services Inc. (the "**Company**").

The Company's head office, located at 181 University Ave, Suite 1101, Toronto, Ontario, M5H 3M7, Canada prior to the completion of the Amalgamation (as defined in item 2.2), and is located at Suite 201 – 41 Industrial Street, Toronto, Ontario, M4G 0C7 following the completion of the Amalgamation.

All dollar figures stated in this report are in Canadian dollars.

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

Not applicable.

Item 2 - Identity of the Acquiror

2.1 State the name and address of the acquiror.

1480775 B.C. Ltd. (the "**Purchaser**")
#1200 - 750 West Pender Street
Vancouver, British Columbia V6C 2T8
Canada

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On May 14, 2024, the Company entered into an arrangement agreement (the "**Arrangement Agreement**") with the Purchaser, pursuant to which the Company effected a go-private transaction (the "**Transaction**") by way of a court-approved plan of arrangement (the "**Arrangement**") under Section 288 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"). The Transaction was approved by securityholders of the Company on June 27, 2024, and closed on July 9, 2024.

Pursuant to the Arrangement, the Purchaser acquired all of the issued and outstanding Common Shares of the Company at a price of \$0.04 per Common Share (the "**Consideration**"). In addition, and pursuant to the Arrangement, all stock options, deferred share units ("**DSUs**") and restricted share units ("**RSUs**") of the Company were transferred from their holders to the Company and cancelled. The holders of in-the-money stock options were entitled to receive a cash payment equal to the Consideration for each stock option held less an amount equal to the exercise price of the stock option, whereas the holders of DSUs and RSUs received a cash payment equal to the Consideration for

each DSU and/or RSU held. All out-of-the-money stock options were cancelled for no consideration.

Upon the completion of the Arrangement, the Company and the Purchaser have amalgamated to form one corporate entity with the same name as the Company under the BCBCA (the "**Amalgamation**").

See the attached press release and the Company's news release dated July 9, 2024 which is available under the Company's profile on www.sedarplus.ca, for further details on the Transaction. The description of the terms of the Arrangement and the Transaction is a summary only and is qualified in its entirety by the terms of the Arrangement Agreement and the applicable ancillary or related agreements, which are filed by the Company under the Company's profile on www.sedarplus.ca.

2.3 State the names of any joint actors.

Not applicable.

Item 3 - Interest in Securities of the Reporting Issuer

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror's securityholding percentage in the class of securities.

Upon the closing of the Transaction, the Purchaser acquired 304,679,883 Common Shares, being all of the Common Shares held by shareholders of the Company. The Common Shares were subsequently cancelled upon the completion of the Amalgamation.

3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.

See items 2.2 and 3.1.

3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.

Immediately prior to the closing of the Transaction, the Purchaser did not own, control or direct any securities of the Company. Upon the closing of the Transaction, the Purchaser acquired 304,679,883 Common Shares (100%), which were subsequently cancelled upon the completion of the Amalgamation.

3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which

(a) the acquiror, either alone or together with any joint actors, has ownership and control,

The securities set out in item 3.4.

(b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and

Not applicable.

(c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.

Not applicable.

3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.

Not applicable.

3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.

Not applicable.

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.

Not applicable.

Item 4 - Consideration Paid

4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.

The Purchaser paid \$0.04 per Common Share for each of the 304,679,883 Common Shares it acquired, for an aggregate of \$12,187,195.

4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.

See item 4.1.

4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.

Not applicable.

Item 5 - Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) **the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) **a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) **a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) **a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**
- (e) **a material change in the present capitalization or dividend policy of the reporting issuer;**
- (f) **a material change in the reporting issuer's business or corporate structure;**
- (g) **a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;**

- (h) **a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**
- (i) **the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;**
- (j) **a solicitation of proxies from securityholders;**
- (k) **an action similar to any of those enumerated above.**

The purpose of the Transaction was for the Purchaser to acquire all of the issued and outstanding Common Shares. Upon completion of the Transaction, all seven of the directors of the Company resigned and a new board consisting of four directors was appointed. The Common Shares will cease to be listed on the TSX Venture Exchange after the end of trading on July 10, 2024 and will be subsequently removed from the OTC Pink Markets and the Frankfurt Stock Exchange. The Company will apply to the securities regulatory authorities to approve the request that the Company cease to be a reporting issuer in each of the provinces of Canada in which it is a reporting issuer and under applicable Canadian securities laws, and to otherwise terminate its public reporting requirements.

Item 6 - Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

See item 2.1 in respect of the Arrangement Agreement.

Certain directors, officers and insiders of the Company had entered into voting support agreements dated May 14, 2024 with the Purchaser under which they agreed to vote their securities of the Company in favour of the Arrangement, and against any alternative acquisition proposal or any action, proposal, transaction or agreement that could reasonably be expected to result in a breach of the Arrangement Agreement or to impede, interfere with, delay, discourage, adversely affect or inhibit the timely consummation of the Transaction. Such voting support agreements have automatically terminated as at the effective time of the Arrangement on July 9, 2024 pursuant to the terms therein.

Item 7 - Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 8 - Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 - Certification

I, as the acquiror, certify, or I, as the agent filing the report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

DATED this July 10th, 2024

(signed) "Michael Arblaster"

Michael Arblaster
President