CANAQUEST MEDICAL CORPORATION

A Canadian Federal Corporation

37 – 4120 Ridgeway Drive
Mississauga, Ontario Canada 5L5 5S9
Telephone 289-997-6740
Website www.cannaquest.com
Email paul@cannaquest.com
SIC Code 01829902

Disclosure Statement Pursuant to the Pink Disclosure Guidelines

Quarterly Report
For the Period Ending December 31, 2018

As of December 31, 2018, the number of our Common Shares outstanding was: 20,136,377

As of September 30, 2018, the number of our Common Shares outstanding was: 18,818,585

[Insert Number of Shares]

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control of the company has occurred over this reporting period:

Yes: ☐ No: ☒

(1) **Name of Issuer and its Predecessors**:

CanaQuest Medical Corporation

January 30, 2019 – changed name from Algae Dynamics Corp to CanaQuest Medical Corporation

August 11, 2014 – name changed from Algcan Corp to Algae Dynamics Corp.May 12, 2014 – name changed from Converted Carbon Technologies Corp to Algcan Corp.

November 19, 2010 – Name changed from Converted Carbon of Canada Corp. to Converted Carbon Technologies Corp.

October 7, 2008 – Converted Carbon of Canada Corp. incorporated as a Canadian Federal Corporation.

The Issuer is a federally incorporated company in Canada. The Issuer was initially incorporated on October 7, 2008.

The Issuer is in good standing under the laws of its jurisdiction of incorporation.

Has the Issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

(2) Security Information

Trading Symbol: ADYNF
Exact name and class of securities outstanding: Common Shares
CUSIP: CA01551X1087
Par or stated value: Without Par Value

Total Shares authorized	Unlimited	as of: December 31, 2018
Total shares outstanding	20,136,377	as of: December 31, 2018

Preferred Stock

Par or stated value:	Without Par Value	
Total Shares authorized	Unlimited	as of: December 31, 2018
Total shares outstanding	0	as of: December 31, 2018

<u>Transfer Agent</u>

VStock Transfer, LLC
18 Lafayette Place
Woodmere, New York 11598
Telephone Number: 212 – 828 -8436

Is the Transfer Agent registered under the Exchange Act? YES

List any restrictions on the transfer of securities:

None

Describe any trading suspension orders issued by the SEC in the past 12 months.

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

(3) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities:

Please see Attached Exhibit A

Please see Attached Exhibit A

(4) Financial Statements

A. The financial statements of the Issuer were prepared in accordance with:

☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual):

Name:	Ross Eastley
Title:	Chief Financial Officer
Relationship to Issuer:	Officer and Director

C. The financial statements required by this report have been filed as of the date hereof on the OTC News and Disclosure Service.

(5) Describe the Issuer's Business, Products and Services

A. Description of the Issuer's business operation

B) Date and State of: October 27, 2008. Canada

C) The Issuer's primary and secondary code: SIC 01829902

D) Issuer's fiscal year end date: March 31

E) Principal products or services, and their market. See above.

(6) Describe the issuer's facilities:

The Company initially entered into a five-year operating lease, expiring November 2018, for Unit 37-4120 Ridgeway Drive in Mississauga, Ontario, which consists of 2,224 square feet of office and production facilities. The rental for this facility has been extended for a further 3 years. The current space is adequate for the purpose of constructing an initial production/testing operation. The monthly base rental of the current facility is $1,853 plus the Company's estimated portion of property taxes and operating expenses which are currently $847 per month.

(7) Officers, Directors, and Control Persons

Please see attached Exhibit C

A. Identification of Control Persons

B.

1. NONE
2. NONE
3. NONE
4. NONE

9) Third Party Providers

Legal Counsel

J.P. Galda & Co.
40 E. Montgomery Avenue, LTW220
Ardmore, Pennsylvania 19003
215-815-1534

Accountant

Philip Clark Professional Corporation
1246 Upper Village Drive
Mississauga, Ontario
Canada L5E 3H6

Investor Relations Consultant

None

Other Advisors:

None

10) Issuer Certification

I, Richard Rusiniak and Ross Eastley, certify that:

1. I have reviewed this this annual and quarterly disclosure statement of CanaQuest Medical Corporation.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of and for, the periods presented in this disclosure statement

April 1, 2019

Richard Rusiniak

Richard Rusiniak Director CEO

Ross Eastley

Ross Eastley Director CFO

CanaQuest Medical Corporation (formerly Algae Dynamics Corp.
Share Issuance History

Exhibit A - Share issuance history

Date of Transaction	Type of Transaction	Number of shares 9,701,051	CDN Funds Value	Where the shares issued at a discount yes or no	Class of Security	Individual/Equity shares were issued to (entities must have individual with voting /investment control disclosed	Reasons for share issuance (e.g cash or debt conversion) OR nature of services provided if applicable.	Restricted or unrestricked as of this filing	Exemption or registration Type.
15-May-16	issue of common shares	13,874		no	Common	Equity to be issued from previous year	Equity to be issued from previous year	unrestricted	
18-May-16	issue of common shares	44,500	2,318	no	Common	Apollo Marketing - voting control - Blair Mullin	conversion of warrants	unrestricted	
19-May-16	issue of common shares	100,000	101,579	no	Common	Midtown - voting control John Clarke	professional fees - fund raising	unrestricted	
22-Jun-16	issue of common shares	15,264		no	Common	Equity to be issued from previous year	Equity to be issued from previous year	unrestricted	
30-Jun-16	issue of common shares	66,667	64,585	no	Common	Blair Mullin	Debt conversion	unrestricted	
30-Jun-16	issue of common shares	250,000	201,481	no	Common	Trademasterpro - Eric and Joe Matz	Investor Relations	unrestricted	
17-Oct-16	issue of common shares	250,000	113,225	no	Common	Trademasterpro - Eric and Joe Matz	Investor Relations	unrestricted	
18-Oct-16	issue of common shares	250,000	125,766	no	Common	Trademasterpro - Eric and Joe Matz	Investor Relations	unrestricted	
17-Oct-16	issue of common shares	20,000	19,500	no	Common	JP Galda	Professional Fees legal or debt conversion	unrestricted	
19-Dec-16	issue of common shares	25,000	7,750	no	Common	JP Galda - exercie of options granted	Professional Fees legal or Debt conversion	unrestricted	
29-Dec-16	issue of common shares	78,027	58,500	no	Common	Triumph - Investor relations- Gary & Craig Redding	Investor relations	unrestricted	
29-Dec-19	issue of common shares	15,000		no	Common	Equity to be issued from previous year	Equity to be issued from previous year	unrestricted	
29-Dec-19	issue of common shares	15,000		no	Common	Equity to be issued from previous year	Equity to be issued from previous year	unrestricted	
29-Dec-19	issue of common shares	15,000		no	Common	Equity to be issued from previous year	Equity to be issued from previous year	unrestricted	
29-Dec-19	issue of common shares	72,465		no	Common	Equity to be issued from previous year	Equity to be issued from previous year	unrestricted	
29-Dec-16	issue of common shares	670,097	265,298	no	Common	Richard Rusiniak	debt conversion	unrestricted	
29-Dec-16	issue of common shares	646,076	255,788	no	Common	Paul Ramsay	debt conversion	unrestricted	
10-Jan-17	issue of common shares	50,000	27,000	no	Common	Joji Mangubat	Investor relations	unrestricted	
10-Jan-17	issue of common shares	75,000	23,250	no	Common	JP Galda - exercise of options granted	Professional Fees	unrestricted	
22-Mar-17	issue of common shares	25,000	9,669	no	Common	P Ramsay - compensation	compensation	unrestricted	
22-Mar-17	issue of common shares	25,000	9,669	no	Common	R Rusiniak - compensation	compensation	unrestricted	
22-Mar-17	issue of common shares	25,000	9,669	no	Common	R Eastley - compensation	compensation	unrestricted	
	issue of common shares	125,000	43,190	no	Common	Paul Ramsay - debt conversion	debt conversion	unrestricted	
10-Jan-17	issue of common shares	125,000	43,190	no	Common	Richard Rusiniak - debt conversion	debt conversion	unrestricted	
21-Mar-17	issue of common shares	39,500	1,975	no	Common	Apollo Marketing - Blair Mullin	conversion of warrants	unrestricted	
Balance March 31, 2017		**12,737,521**	1,383,402		#########				
21-Jun-17	issue of common shares	50,000	6,994	no	Common	John Clarke	commitment shares	restricted	
21-Jun-17	issue of common shares	50,000	6,994	no	Common	Jeff Grossman	commitment shares	restricted	
25-Jul-17	issue of common shares	100,000	11,256	no	Common	John Clarke	commitment shares	restricted	
05-Jan-18	issue of common shares	2,541,781	322,701	no	Common	Teewinot	conversion of convertible debt	restricted	
01-Dec-17	issue of common shares	26,187	4,000	no	Common	Andrew Horton	Investor relations	restricted	
02-Jan-18	issue of common shares	44,946	4,000	no	Common	Andrew Horton	Investor Relations	restricted	
Balance March 31, 2018		15,550,435							
Transaction for the 2018 - 2019 Fiscal Year									
09-May-18	issue of common shares	203,397	13,062	no	Common	JOHN CLARKE	Conversion of convertible debt	restricted	
09-May-18	issue of common shares	107,742	25,567	no	Common	KODAFAM INVESTMENTS, LLC - Jeff	Conversion of convertible debt	restricted	
09-May-18	issue of common shares	254,315	13,508	no	Common	JOHN CLARKE	Conversion of convertible debt	restricted	
09-May-18	issue of common shares	430,970	54,031	no	Common	WHITE ROOM CAPITAL, LLC	Conversion of convertible debt	restricted	
10-May-18	issue of common shares	101,726	31,721	no	Common	JOHN CLARKE	Conversion of convertible debt	restricted	
04-Sep-18	issue of common shares	280,000	36,044	no	Common	JOHN CLARKE	Conversion of convertible debt	restricted	
04-Sep-18	issue of common shares	560,000	73,293	no	Common	JOHN CLARKE	Conversion of convertible debt	restricted	
10-Sep-18	issue of common shares	280,000	36,044	no	Common	JEFFREY A GROSSMAN	Conversion of convertible debt	restricted	
26-Oct-18	issue of common shares	50,000	19,000	no	Common	ASAFALI NASSER MAWJI	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	1,000,292	380,110	no	Common	SAFDAR CHATOO	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	25,000	9,500	no	Common	ABBAS MOHAMEDALI	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	37,500	14,250	no	Common	SHABBIR RAHEMTULLA	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	5,000	1,900	no	Common	MUSHTAQALI FAZEL	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	125,000	47,500	no	Common	MUSHTAK NAJARALI	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	12,500	4,750	no	Common	MOHAMMED ALFAWAGREH	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	12,500	4,750	no	Common	RAHUL NIRULA	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	62,500	23,750	no	Common	MUSHTAK NAJARALI	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	37,500	14,250	no	Common	MOHAMMED RAILEY	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	25,000	9,500	no	Common	RADHWAN ABOOD	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	500,000	190,000	no	Common	QUINSAM CAPITAL CORPORATION - Roger Dent voting control	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	50,000	19,000	no	Common	ASAFALI NASSER MAWJI	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	12,500	4,750	no	Common	MOHAMMED ALFAWAGREH	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	37,500	14,250	no	Common	SALIM NASSER	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	62,500	23,750	no	Common	CLAUDIO TOCCHIO	private placement - capital raise	restricted	
26-Oct-18	issue of common shares	62,500	23,750	no	Common	RAJ SINGH DURJODHAN	private placement - capital raise	restricted	

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26-Oct-18	issue of common shares	25,000	9,500	no	Common	NILESH KOTHARI	private placement - capital raise	restricted
26-Oct-18	issue of common shares	25,000	9,500	no	Common	PUNEET BHALLA	private placement - capital raise	restricted
26-Oct-18	issue of common shares	25,000	9,500	no	Common	BARABUS HOLDINGS LTD. - Moona Rahemtulla	private placement - capital raise	restricted
26-Oct-18	issue of common shares	25,000	9,500	no	Common	NAVEET BHALLA	private placement - capital raise	restricted
26-Oct-18	issue of common shares	50,000	19,000	no	Common	LUCY AND JOHN D'ADDETTA	private placement - capital raise	restricted
26-Oct-18	issue of common shares	25,000	9,500	no	Common	RANJEET SINGH	private placement - capital raise	restricted
26-Oct-18	issue of common shares	25,000	9,500	no	Common	GOPAL SINGH RANU	private placement - capital raise	restricted
26-Oct-18	issue of common shares	50,000	19,000	no	Common	EMMA ROMANO AND VINCE LEONE	private placement - capital raise	restricted
Balance at December 31, 2018 and Current Ba		**20,136,377**						

Exhibit B

Debt Issuance - Debt Securities, Including Promissory and Convertible Notes

Note 1 – Dax Sukhraj Convertible Note – current amount outstanding $100,000

Terms

On July 19, 2018, the Company issued a Senior Convertible Note (“Note”) for total cash proceeds and a principal amount of $100,000. The Note bears interest of 10% per annum compounded monthly and matures on July 19, 2021. At the option of the Company, all outstanding principal and interest may be exchanged for shares of common stock of the Company at a conversion price of $0.25 per share. The conversion price is subject to anti-dilution adjustment in the event the Company at any time while the Note is outstanding issues equity securities including common stock or any security convertible or exchangeable for shares of common stock for no consideration or for consideration less than $0.25 per share (“Down Round”) and standard anti-dilution protection for stock splits and stock dividends or other similar adjustments. The anti-dilution protection excludes shares of common stock issuable upon the exercise of options or other securities granted to directors, officers, bona fide consultants and employees of the Company issued pursuant to an Approved Stock Plan.

Note 2 – **Term loan issued May 4, 2016 – current amount $52,000**

The Company issued a term loan (“Loan”) for bridge financing to a sibling of one of the officers (“Holder”) of the Company. The issue price of the Loan is $40,000 with a face value of $52,000. The Loan is unsecured, non-interest bearing and has a maturity date of August 28, 2016. The $12,000 Loan premium was recorded in accordance with the interest rate method from the issue date to the original maturity date. After issue of the loan, the Holder agreed to extend the maturity date of the Loan to November 30, 2016, followed by a second extension to February 28, 2017, followed by a further extension to November 30, 2017, and followed by a further indefinite extension until the Company has the appropriate liquidity to repay the face value of the Loan. Otherwise the terms of the loan are unchanged. During the three and nine month periods ended December 31, 2018, the Company recorded amortization of debt discount of $NIL and $NIL, respectively (2017 - $777 and $2,930, respectively).

Note 3 – All other convertible notes that the Company has issued have either been converted into shares or the convertible notes have been paid out in full.

Exhibit C

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Paul Ramsay	President and Direct	Mississauga, Ontaio, Canada	4,175,883	common	20.74%	__
Richard Rusiniak	CEO and Director	Toronto, Ontario, Canada	4,339,904	common	21.55%	__
W Cameron McDonald	Director	Westmount, Quebec, Canada	-	common	0.00%	__
Philip Blair Mullin	Director	Cherryville, NC	-	common	0.00%	__
Ross Eastley	CFO and Director	Toronto, Ontario, Canada	24,538	common	12.00%	__