RADIENT TECHNOLOGIES INC.

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Annual Information Form

FOR THE FISCAL YEAR ENDED MARCH 31, 2020

DATED SEPTEMBER 11, 2020

RADIENT TECHNOLOGIES INC.

ANNUAL INFORMATION FORM

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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INTRODUCTORY NOTES

Date of Information

In this Annual Information Form (the "**AIF**"), unless the content otherwise requires, references to "the Company" or "Radient" mean Radient Technologies Inc. and its subsidiaries. The information in this AIF is as at March 31, 2020, with subsequent events disclosed to September 11, 2020, except where expressly noted.

Currency

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

Cautionary Note Regarding Forward-Looking Information

This AIF contains certain "forward-looking information" and "forward-looking statements" (collectively, "**forward-looking statements**"), within the meaning of applicable Canadian securities laws, which are based upon the Company's current internal expectations, estimates, projections, assumptions and beliefs. Such statements can be identified by the use of forward-looking terminology such as "expect", "likely", "may", "will", "should", "intend", or "anticipate", "potential", "proposed", "estimate" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. Forward-looking statements include estimates, plans, expectations, opinions, forecasts, projections, targets, guidance, or other statements that are not statements of fact. Such forward-looking statements are made as of the date of this AIF Forward-looking statements in this AIF include, but are not limited to, statements with respect to:

- the performance of the Company's business and operations;
- the intention to grow the business, operations and potential activities of the Company;
- the anticipated growth of the cannabis industry;
- the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis and cannabis-derived products;
- the cannabis industry (medical and recreational) as a whole;
- the Company's ability to obtain or maintain, as the case may be, the requisite licensing in Canada and in Europe;
- regulatory changes and the timing for proposed legislation and legalization of cannabis in Europe;
- the grant and impact of any licence or supplemental licence to conduct activities in Canada or in Europe with cannabis or any amendments thereof;
- the expected growth in the Company's extraction capacity;
- the competitive conditions of the industry;
- the applicable laws, regulations and any amendments thereof;
- the competitive and business strategies of the Company;
- the anticipated future gross revenues and profit margins of the Company's operations;
- the Company's relationship with Aurora Cannabis Inc. ("**Aurora**");

- the scale-up of cannabis processing at the Company's current Edmonton Manufacturing Facility;
- the retrofit of the Company's Edmonton II Facility (as defined herein) and the associated costs;
- the construction of the new Edmonton III Facility (as defined herein) and the associated costs;
- the proposed design plans for the new German Manufacturing Facility (as defined herein), the associated costs and the construction thereof;
- the demand for cannabis products; and
- the methods used by the Company to produce cannabis extract products.

With respect to the forward-looking statements contained in this AIF, the Company has made assumptions regarding, among other things:

- interest rates;
- operating and capital costs;
- the Company's ability to generate sufficient cash flow from operations and to access existing credit facilities and capital markets to meet its future obligations;
- opportunities available to or pursued by the Company;
- the Company's ability to attract and retain qualified personnel or management; and
- stability of general economic and financial market conditions.

Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. The Company cannot guarantee future results, levels of activity, performance or achievements. Consequently, there is no representation by the Company that actual results achieved will be the same in whole or in part as those set out in the forward-looking statements. Some of the risks and other factors, some of which are beyond the Company's control, which could cause results to differ materially from those expressed in the forward-looking statements contained in this AIF include, but are not limited to:

- general economic, market and business conditions in Canada, Europe and the United States, including reduced availability of debt and equity financing generally;
- the Company's ability to raise equity and/or debt financing on acceptable terms;
- risks relating to the effective management of the Company's growth;
- liabilities and risks, including environmental liabilities and risks associated with the Company's operations;
- the Company's ability to attract and retain customers;
- the competitive nature of the industries in which the Company operates;
- competition for, among other things, capital and skilled personnel and management;
- limitations on insurance;
- failure to obtain industry partner and other third-party consents and approvals when required;

- imprecision in estimating capital expenditures and operating expenses;
- fluctuations in foreign exchange and interest rates and stock market volatility;
- the impact of new laws and regulatory requirements, including the adoption of new environmental regulations, as it relates to the cannabis industry and other laws and regulations and changes in how they are interpreted and enforced;
- the Company's ability to maintain required regulatory approvals;
- political and economic conditions;
- impact of COVID-19 global pandemic;
- the results of litigation or regulatory proceedings that may be brought against the Company;
- changes in income tax laws; and
- the other factors disclosed under *"Risk Factors"* in this AIF.

Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements contained in this AIF are expressly qualified by this cautionary statement. The Company is not under any duty to update any of the forward-looking statements after the date of this AIF or to conform such statements to actual results or to changes in the Company's expectations and the Company disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

GLOSSARY OF DEFINED TERMS

Unless otherwise defined herein, the following terms used in this AIF have the meanings set forth below:

"Board"	means the board of directors of Radient.
"Common Shares"	means the common shares in the capital of Radient.
"MAP™"	means the Company's proprietary Microwave Assisted Processing method of extraction.
"SEDAR"	means the System for Electronic Document Analysis and Retrieval, the electronic filing system for the disclosure documents of public companies and investments funds across Canada, available at *www.sedar.com*.

CORPORATE STRUCTURE

Name, Address and Incorporation

Radient was initially incorporated on June 12, 2001 pursuant to the provisions of the *Company Act* (British Columbia), transitioned pursuant to the provisions of the *Business Corporations Act* (British Columbia) on July 7, 2004 and was continued under the *Canada Business Corporations Act* on February 3, 2010. On May 22, 2014, pursuant to a plan of arrangement, Radient amalgamated with Madison Capital Corporation ("**Madison**"), a Capital Pool Company ("**CPC**") as defined pursuant to Policy 2.4 of the TSX Venture Exchange ("TSXV"), incorporated pursuant to the provisions of the *Alberta Business Corporations Act* ("**ABCA**") on June 13, 2011 and continued under the *Canada Business Corporations Act* on May 14, 2014, forming a new entity called "Radient Technologies Inc." This transaction constituted the qualifying transaction of Madison in accordance with the requirements of the TSXV Policy 2.4 – Capital Pool Companies. Radient trades on the TSXV under the symbol "RTI" and on the OTCQX®Best Market ("OTC"), operated by OTC Markets Group under the ticker symbol "RDDTF".

The head office of Radient is located at 9426 – 51 Avenue NW, Edmonton, Alberta, T6E 5A6 and the registered and records office is located at 2900 – 550 Burrard Street, Vancouver, British Columbia, V6C 0A3. Radient also operates a production facility located at 4035 - 101 St NW, Edmonton, Alberta, T6E 0A4 and a research and development lab at 8223 Roper Road NW, Edmonton, Alberta, T6E 6S4.

Inter-Corporate Relationships

The subsidiaries of the Company at March 31, 2020 are:

Name of entity	Ownership
Radient Technologies (Cannabis) Inc. ("RTC")	100%
Radient Technologies Innovations Inc. ("RII")	100%
Radient Technologies (Switzerland) Inc. ("RTS")	100%
1631807 Alberta Ltd.	100%
MAG Innovations GmbH ("MAG") subsidiary of RTS	100%

RTC was incorporated under the Canada Business Corporation Act on February 20, 2018 and holds certain of the Company's Canadian cannabis related licenses and will hold the Company's Canadian cannabis operations. Effective May 3, 2018, Radient owns 100% of 1631807 Alberta Ltd. incorporated under Alberta Business Corporation Act, which is the owner and landlord of various properties including Radient's Edmonton production facility. Prior to May 3, 2018, Radient owned a 50% interest in 1631807 Alberta Ltd. RII was incorporated under the Canada Business Corporation Act on October 12, 2018 and is intended to hold the Company's Canadian generated intellectual property. RTS was incorporated under Swiss Law on February 2, 2019 and will hold the Company's European investments, including MAG which was incorporated under German Law on February 21, 2019. MAG will hold all assets related to the Company's German cannabis related operations.

GENERAL DEVELOPMENT OF THE BUSINESS

Radient was founded in 2001 by Dr. Steven Splinter, its current Chief Technology Officer, and Vizon SciTec Inc. ("**Vizon**"), formerly BC Research Inc., to pursue commercial opportunities related to the patented platform Microwave Assisted Process natural product extraction technology for applications in the pharmaceutical, nutraceutical, food and cosmetic industries.

Three Year History

In December 2016, Radient signed a Memorandum of Understanding ("**MOU**") with Aurora to evaluate an exclusive partnership for the Canadian market regarding the joint development and commercialization of high quality and standardized cannabinoid extracts. In January 2017, the two companies, pursuant to the MOU, entered into a joint research agreement to confirm the effectiveness of MAP™ technology for the extraction of cannabinoids. As part of the agreement, Aurora invested $2,000,000 into Radient via a convertible debenture. All or a portion of the principal amount of the debenture was convertible into units of the Company at a conversion price of $0.14 per unit. Each unit was comprised of one common share of the Company and one common share purchase warrant, exercisable within 24 months, for one common share of the Company at an exercise price of $0.33 per warrant.

In February 2017, the companies announced that preliminary assessments produced encouraging results. As a result, the research collaboration was furthered to the second phase, which involved preliminary scale up activities and testing. This second phase was completed, and results announced on June 5, 2017. Aurora provided notice to the Company that it wished to pursue a definitive exclusive agreement, the entering into of such agreement being announced on November 6, 2017.

On July 28, 2017, Aurora's convertible debenture of $2,000,000 was converted pursuant to the acceleration provisions contained therein into 14,285,714 units of the Company. These units included the issuance of 14,285,714 common shares and 14,285,714 common share purchase warrants exercisable for one additional common share of the Company at an exercise price of $0.33. The warrants were exercised on December 11, 2017 for gross proceeds of $4,714,286.

On October 2, 2017, Radient announced that it completed a shares-for-debt transaction with AVAC Ltd. ("**AVAC**"), an arm's length creditor of Radient. Pursuant to the shares-for-debt transaction, Radient has issued 9,424,330 Common Shares to AVAC at a deemed price of $0.66 per share in settlement of an aggregate of $6,210,633 of debt (inclusive of interest). AVAC had previously advanced Radient $4,685,000 in exchange for a royalty on Radient's future revenue. The settlement resulted in the termination of AVAC's entitlement to any future royalty payments by Radient to AVAC.

On November 6, 2017, the Company announced that it had finalized a Master Services Agreement ("**MSA**") with Aurora, pursuant to which the Company agreed to perform certain services for Aurora using its proprietary MAP™ technology, in relation to supply of standardized cannabis extracts. The agreement has an initial term of five years, with an option for Aurora to renew the agreement for an additional five years. The agreement will cover services delivered in Canada, Australia, and the European Union with Aurora having the right to negotiate with the Company to expand the jurisdictions covered. Within the covered jurisdictions, the Company will deliver its services under preferential terms to Aurora. With the receipt of the Company's Standard Processing license from Health Canada in February 2019, the Company commenced commercial production under the MSA.

The MSA includes an Investor Rights Agreement that provides Aurora with certain rights to participate in future offerings, providing Aurora with the option to expand its ownership in the Company up to 19.99%. As of February 4, 2019, Allan Cleiren, Chief Operating Officer of Aurora was appointed to the Board of Radient pursuant to certain rights granted to Aurora under the Investor Rights Agreement.

On December 12, 2017, the Company announced that Aurora completed a $12 million strategic investment in Radient. The strategic investment was structured as follows:

- Aurora exercised all 15,856,321 common share purchase warrants of Radient previously held by Aurora for total proceeds of $5.8 million

- Aurora participated in a private placement with the Company. A total of 4,541,889 units were issued at $1.37 per unit for gross proceeds of $6.2 million. These units included issuance of 4,541,889 common shares and 4,541,889 common share purchase warrants with each warrant exercisable for $1.71 for a period of 24 months.

On July 31, 2018, the Company completed a bought deal offering and issued 20,700,000 units of the Company at $1.20 per unit for total gross proceeds of $24,840,000. The Company also completed a private placement and issued 7,802,299 units at $1.20 per unit for gross proceeds of $9,362,759. The net proceeds of the offerings will be used for the addition of cannabis processing capacity in Edmonton, to upgrade the main Edmonton manufacturing facility hemp extraction line, site identification and permitting activities for a cannabis processing facility in Europe, general corporate and working capital purposes.

On February 10, 2020, the Company announced a total financing package of up to $15.4 million through the issuance of up to $10.4 million of unsecured convertible notes (the "Notes") and up to $5 million of unsecured debentures (the "Debentures"). The offerings of the Notes and Debentures are subject to the approval of the TSXV and the negotiation, execution and delivery of definitive documentation. On March 4, 2020, the Company closed the first tranche of Debentures for gross proceeds of $1,162,500. The Company issued to the Debenture holders 581,250 non-transferable common share purchase warrants. Each warrant has a 24 month term and is exercisable into one common share of the Company at an exercise price of CAD $0.70 per share.

On March 27, 2020, Radient announced that it had established an At the Market "ATM" program. The ATM Program will allow the Company to issue up to $9.4 million worth of common shares from treasury to the public. The net proceeds of the Offering is intended to be used for additional equipment for the Company's Edmonton and German facilities and general corporate purposes.

On May 26, 2020, the Company completed an offering and issuance. 28,750,000 units of the Company (including 3,750,000 Units issued pursuant to the exercise in full of the over-allotment option) for total gross proceeds of $5,750,000. These units consisted of one common share in the capital of the Company and one Common Share purchase warrant. Each warrant entitles the holder thereof to purchase one Common Share, at an exercise price of $0.30 until May 26, 2023.

DESCRIPTION OF THE BUSINESS

Since its inception, Radient has completed numerous feasibility and scale studies and has proven the effectiveness of MAP™ for a broad range of biomass inputs, including plants (seeds, leaves, stems, roots) and single-cell biomasses (algae, fungi) using widely varying solvent systems and for all commercially-relevant classes of natural products, including lipids, glycosides, alkaloids, phenolics, terpenes and proteins.

Scalability has been demonstrated by continuous processing at the Edmonton production facility, which has provided final validation for operating MAP™ at a scale appropriate to capture immediate value for partners. Further, the Edmonton production facility was originally designed to handle up to 5 tonnes per day of input biomass. With the Company's decision to move into the cannabis industry and in alignment with Health Canada requirements, the original processing line was decommissioned, the original production facility was renovated and expanded and the original processing line was replaced by the processing line currently in place in Edmonton I.

Radient's corporate focus has previously been classified into three main areas – Cannabis, Health and Wellness and Nicotine Reduction Activities. Through to Q3 fiscal 2019, the Company continued processing natural ingredients for customers in the Food and Beverage, Nutraceuticals, Pharmaceuticals and Cosmetics and Personal Care industries at its Edmonton manufacturing facilities. However, in conjunction with the Company's application for its Standard Processing License, it was determined that the production of cannabis products could not occur in the same facility. The Company made a strategic decision to discontinue processing natural ingredients and instead focus on processing cannabis ingredients and products in the Edmonton manufacturing facilities.

Since the discontinuance of these manufacturing activities in Edmonton and subsequent to year end, the Company has concluded that its near and mid-term focus should primarily be directed towards Cannabis and Nicotine Reduction Activities.

Radient's Technology

Radient's MAP™ technology is based on a method of transferring energy to a material that is fundamentally different from any other conventional process. MAP™ involves the selective and localized heating of the moisture present in all-natural materials using a very familiar energy source: microwaves. This instant volumetric heating of the biomass and solvent mixture results in a rapid build-up of pressure within cells leading to a pressure-driven enhanced mass transfer of target compounds out of the source material. This mechanism for extraction is unique to MAP™ and results in very fast extraction rates and high extraction yield. In addition, because the microwave energy is selectively deposited in the target biomass and less so in the surrounding solvent, the mixture stays cool, leading to energy efficiency and reduced heat degradation of sensitive products.

In general, microwaves interact with materials in three ways:

– reflective materials such as metals do not heat (i.e. they do not absorb energy, but rather reflect the energy);

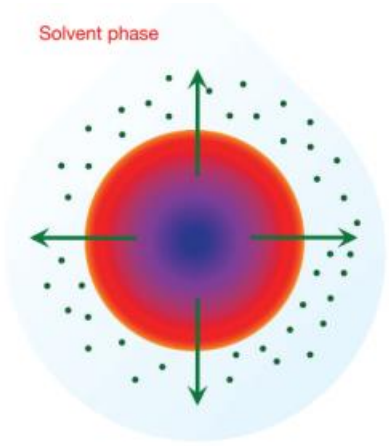
– transparent materials such as non-polar liquids do not heat or reflect – microwaves pass right through them and are only absorbed to a small extent; and

– absorptive materials such as water absorb microwaves and are heated.

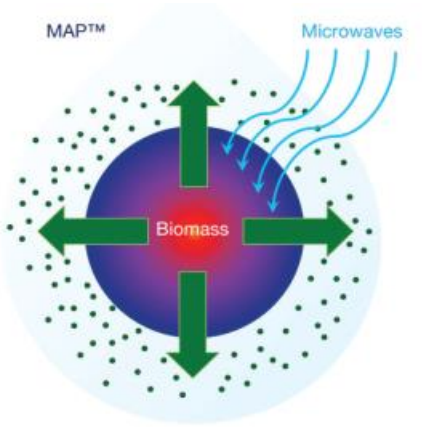
The ease, or degree by which a particular material absorbs microwave energy is determined by the dielectric properties of the material. Microwaves do not heat by the conventional processes of convection, conduction and radiation phenomena through the external material surface but rather by direct molecular interactions with the electromagnetic field via dielectric loss. The dielectric properties of the material (dielectric constant and loss factor) determine how much of the microwave energy is absorbed and dissipated as heat. Water, in particular, is a strong absorber of microwave energy. It has a large dielectric constant, meaning it absorbs microwave energy more efficiently than the target compounds and much more efficiently than the surrounding liquid solvent. It is this ability to selectively deposit microwave energy into different parts of a complicated chemical system that is at the core of Radient's MAP™ technology.

An important element of MAP™ is that the driving force for extraction is not limited to the process of diffusion. Conventional solid-liquid extraction involves soaking, washing or contacting the solid material with usually hot (50°C to 80°C) solvent to extract the target compounds. Extraction occurs by diffusion, meaning that the only driving force for the process is the concentration gradient of the product between the source material and the solvent. With MAP™, the microwave energy is selectively absorbed by the residual water present in the biomass. This creates a very rapid temperature increase within the biomass cells, leading to pressure build-up and, in some cases this can cause cell rupture, forcing the contents out into the surrounding (cool) solvent by a pressure-enhanced mass transfer. This mass transfer may be further enhanced by the fact that the thermal gradient is in the same direction as the mass transfer. In all extraction processes, mass transfer occurs from the inside of the biomass to the outside solvent. In conventional extraction, heat transfer occurs from the outside to the inside of the material. With MAP™, however, there is a volumetric in-core heating of the moisture in the biomass while the solvent remains relatively cool, leading to a heat gradient in the same direction as the mass transfer.

Conventional Extraction vs. Microwave Assisted Extraction



Conventional solvent extraction is a diffusion-driven process: relies on concentration gradients



MAP™ causes instant in-core heating creating a pressure-driven process

Another key aspect of MAP™ is the fact that Radient understands that it is the microwave energy density and, more specifically, the electric field strength that can be a very important factor in achieving desired results. The heating rate within the core of the biomass is directly proportional to the energy density of the applied microwave. This energy density is in turn determined by the applied power at the chosen frequency (driven by the microwave generator), by the dielectric properties of the biomass being treated and – importantly – by the electric field strength. The latter is influenced only by proper equipment (i.e. microwave cavity) design and control. Much of Radient's intellectual property is centered on the use of properly focused microwave energy having a generally uniform energy density level to achieve the desired high field control. These features are captured, for example, in Radient's proprietary large-scale continuous flow MAP™ extractor design.

Finally, a further important feature of Radient's MAP™ technology is the ability to effect unprecedented control over extraction time and temperature, both of which greatly affect extract purity and profile. A key feature of microwaves is that they allow for instant, volumetric heating by direct molecular interactions with the electromagnetic field. Radient's continuous-flow MAP™ extractor has been designed such that the application of controlled energy-density microwaves to the continuously-flowing material enables precise control of temperature and extraction time. It also ensures that any possible effects of excessive heating can be minimized and that all material is extracted for the same time at the same temperature. This level of control is not possible to achieve at large scale with different techniques. Conventional methods which require heating by the normal processes of convection, conduction and radiation phenomena through hot external surfaces require significant time when applied at scale and thermal gradients are inevitable meaning certain parts of the material experiences different temperature than others at various times.

Using the Company's MAP™ technology, Radient creates natural ingredients at lower cost, higher quality, and at greater throughput than competing methods. MAP™ is Radient's patented, core technology.

Business Model

As of the date of this AIF, Radient's core revenue generation activities related to cannabis activities are primarily focused on two areas 1) extraction services for the extraction, purification and isolation of cannabinoids for third parties, and 2) manufacturing of cannabis extracts, concentrates and oils for sale to Licensed Producers:

1. Manufacturing Services – Radient leverages its know-how and infrastructure to produce higher value, higher margin products on behalf of its customers. In these instances, the customer sends its cannabis biomass to Radient for processing. Radient will process, for a specified fee, the material into extracts, concentrates or oils and ship back the finished materials to its customers.
2. Manufactured products – Radient procures cannabis biomass for the manufacture of cannabis extracts, concentrates and oils for its own use. Radient inventories the biomass for use in production and then sells the resultant production, which may include cannabinoid oils, formulations or extracts to Licensed Producers for use in their consumer/patient products. On June 26, 2020 the Company received its amendment ot its Processor License to allow the Company to sell or distribute extracts, topicals and edible products to license holders authorized to sell cannabis under a provincial Act. This amendment will allow the Company to further expand its opportunities by selling or distributing manufactured cannabis products under its own brand or a white label brand to these license holders.

Products and Services

Cannabis Activities

Radient aims to become a leader in cannabis and hemp extraction through the use of its proprietary technology to deliver the highest levels of scale, quality and consistency. The Company has invested 20 years to develop its proprietary extraction technology and methods. The company has concentrated its efforts over the past three years on optimizing its technology and increasing capacity for the extraction of cannabinoids from cannabis and hemp.

In February 2019, the Company received its Standard Processing license from Health Canada and began processing dried cannabis biomass to cannabis oil prior to the end of the 2019 fiscal year. Revenue was not recognized from these activities in the fiscal year as the quality control process was not complete by March 31, 2019.

Radient's MAP™ technology is well positioned to meet the needs of the growing cannabinoids extraction industry. Current methods of extraction using supercritical CO_2 will be constrained by scale limitations of equipment. Radient possesses extraction technology at its Edmonton plant and has proven this technology on a number of different biomasses including cannabis biomass. Radient is currently using its MAP™ technology to extract cannabinoids with higher efficiency and at a high purity level from cannabis while meeting the strict quality assurance standards of the industry amidst current regulatory environment changes. Radient also anticipates the same results from using its technology on hemp in the future.

Compared to conventional extraction technologies, Radient is extracting cannabinoids with a higher efficiency, and foresees developing standardized extracts with specific concentrations of cannabinoids which is of particular interest to the therapeutic industry. Further, Radient's industrial-scale Good Manufacturing Practice ("GMP") extraction facility is an important resource to the industry, providing capacity to meet anticipated growing demand. In addition to large-scale capacity, Radient's MAP™ technology, based on the Company's past extraction activities, typically allows for:

- precise control of temperature;
- control of extraction time of continuously flowing material; and
- retained terpene profiles.

Control of these parameters typically allows for a high-quality product and a broader extract profile. Conventional methods existing in the Cannabis industry today do not allow for precise control of parameters at larger scales of production. Through the Company's relationship with Aurora, in January 2017, a technical assessment of Radient's extraction capabilities, via a third-party independent laboratory, was performed yielding the following results:

- MAP™ has the potential to deliver high quality and broad extraction profiles, while reducing extraction times from several hours to minutes;
- While conventional processes allowed for extraction efficiencies of approximately 80%, MAP™ has the potential for efficiencies in excess of 95%;
- High throughputs are possible; and
- Extraction profiles indicated near full retention of cannabinoid and terpene profiles unlike other technologies.

The encouraging results of the technical assessment ultimately yielded the MSA that the Company finalized with Aurora later in calendar 2017.

To deliver cannabinoid extracts and refined products at industrial scale while maintaining a high standard of quality and consistency, the Company is establishing the following vehicles under which it intends to commercially execute (or support commercial execution) in the cannabis space:

Edmonton I

During fiscal 2020, the Company commenced commercial production of "bottle ready" cannabinoid oils. In late fiscal 2020, the Company identified the requirement to shift the focus from oil to other offerings. The Company is primarily producing cannabinoid resins and distillates from this facility, having added additional equipment and made process changes to include these bulk product offerings. Production capacity for "bottle-ready" cannabinoid oils remains unchanged as a result of resin and distillate production.

Edmonton II

The retrofit of the Company's main facility has being deferred indefinitely in the interest of preserving capital and in response to a lack of supply of hemp containing adequate high-potency CBD. The Company expects to make optimal use of the Edmonton II space by extending its offerings further "downstream" in the value chain by adding capability to produce and package white label products, vaping liquids, and non-baked edible cannabinoid products.

Edmonton III

In fiscal 2019, the Company announced it would build a new manufacturing facility to add over 100,000 square feet dedicated to cannabinoid extraction and product development. Construction has begun on the land adjacent to the Company's existing facilities – Edmonton I and Edmonton II. The finalization of the construction of the new building for Edmonton III has been deferred to at least calendar 2021 in the interest of preserving capital. This facility, once complete will allow Radient additional extraction capacity and cannabinoid ingredient development and production. capability.

Germany

In fiscal 2019, the Company announced plans to construct a large-scale processing facility dedicated to cannabinoid extraction and product development in Germany. In the interest of capital preservation and the Company's focus on its domestic operations, the project has been deferred until at least the end of calendar 2021. This facility, which will be a build to suit leased facility and will be comparable in capacity to the Edmonton III facility. Designs for the European facility are focused in the near-term on the consistent, industrial-scale delivery of CBD and THC derivatives and formulations, manufactured in the EU GMP environment. In fiscal 2019, the European cannabis market was estimated by the strategic consultancy firm, Prohibition Partners, to be worth €123.0 billion by 2028. For more information, see page 10 of the European Cannabis Report 4th Edition per the Prohibition Partners' website.

Natac Solutions

Radient has entered into a joint arrangement with Grupo Natac S.L. ("Natac") in fiscal 2019. The agreement was terminated in late June 2020 and the Company's share disposed of for a nominal amount.

France

In November 2018, Radient entered into a Facilities Access and Technical Services Agreement ("Agreement") with Processium based in Villeurbanne, France. Processium is a company specializing in process and product design mainly for the chemical, pharmaceutical, and biotech industries. The fixed fee Agreement is for an initial 12-month term and may be terminated at any time by Radient giving 60 days notice. The Company signed a new contract on November 1, 2019 for an additional 12 month period. The agreement gives Radient access to laboratory facilities, equipment, expertise in separation and purification processes, and technical and operational support within the Villeurbanne laboratory and pilot plant operations. The Company will also acquire and hold certain of its proprietary equipment at this facility. This agreement provides the Company with a European-based centre for conducting further development and demonstrations of its core MAP™ technology and discovery research on related technologies.

Nicotine Reduction Activities

On July 28, 2017, the FDA announced a new comprehensive plan that places nicotine, and the issue of addiction, at the center of the agency's tobacco regulation efforts. Further on March 16, 2018, the FDA issued an Advanced Notice of Proposed Rulemaking ("ANPRM") to explore a product standard to set the maximum nicotine level for cigarettes, so that cigarette products are minimally addictive or non-addictive.

Late in calendar 2017, Radient announced the results of over four years of research and development with a leading tobacco manufacturer. Results demonstrated nicotine depletion of over 95% across multiple cured tobacco types, and the potential for nicotine depletion in a continuous-flow system at industrially relevant scales. On June 5, 2018, Radient filed a provisional patent application for reducing nicotine levels in tobacco using its proprietary extraction technology. This patent application provides a method to selectively extract nicotine from tobacco via Radient's continuous-flow extraction technology and provides a composition of tobacco that is depleted in nicotine but retains its appearance and organoleptic properties.

The Company believes that this patent application positions Radient's process as a viable method of nicotine depletion in tobacco should the United States Federal Drug Administration or other regulatory bodies decide to regulate for the mandatory reduction of nicotine in cigarettes to minimally or non-addictive levels.

Licensing

Canadian Requirements

Under the Cannabis Act of October 17, 2018, new classifications of licences are required to reflect the activities undertaken by the Company. The Dealers Licence for the Company's Roper Road location (granted March 22, 2018) was transitioned under the new regulations for Research and Analytical Testing Licences (granted February 8, 2019). The Dealers Licence (granted October 10, 2018) for the plant was transitioned under the new regulations to a Research and Analytical Testing Licence (granted March 8, 2019). A Research licence authorizes the holder, for the purposes of research, to possess, produce and transport cannabis. The Analytical Testing licence authorizes the holder to possess cannabis and alter the chemical or physical properties of cannabis for the purposes of testing. The Standard Processing licence for the Plant (granted February 1, 2019), in addition to allowing for the possession, production, and selling of cannabis extracts (as per section 17(5) of the Cannabis Regulations), will also allow for research related to the same format of material (i.e. oil production related activities).

Standard Processing License

Radient was issued a Standard Processing licence on February 1, 2019 by the Security Division of the Cannabis Legalization and Regulation Branch of Health Canada. This licence along with the amendments and conditions allow Radient to:

- possess cannabis;
- produce cannabis, other than obtain it by cultivating propagation or harvesting it; and
- sell cannabis in accordance with subsection 17(5) of the Cannabis Regulations.

Subsection 17(5) of the Cannabis Regulations allows for a standard processor to sell and distribute cannabis to a holder of the licence for processing, analytical testing, research or cannabis drug licence.

With receipt of this license, commercial processing of cannabis biomass to extract cannabinoids including CBD and THC began in March 2019 at Radient's Edmonton I manufacturing facility.

On July 14, 2019, Radient submitted an amendment to Health Canada for the addition of a new secure storage area within the existing building perimeter. This amendment was granted on October 15, 2019.

On November 13, 2019, Radient submitted an amendment to Health Canada for the addition of Edmonton II as a cannabis processing site within the existing building perimeter. This amendment was granted on February 1, 2020.

On December 23, 2019, Radient submitted an amendment to Health Canada for the addition of sales to its Standard Processors Licence. This amendment was granted on June 26, 2020. Subsection 17(5) of the Cananbis Regulations allows for the holder of a Standard Processing licence whose licence authorizes the sale of cannabis to conduct the following activities:

- sell and distribute cannabis products to a holder of a licence for sale, or a person that is authorized under a provincial act, to sell cannabis; and
- send and deliver cannabis products to the purchaser of the products at the request of a person that is authorized under a provincial act, to sell cannabis or a holder of a licence for sale.

Research and Analytical Licences

The Company's Roper Road Facility holds both Research and Analytical Testing Licences and the Edmonton I manufacturing facility holds an Analytical Testing Licence. A Research Licence under the Cannabis Act authorizes the holder, for the purposes of research, to possess, produce, transport, send or deliver cannabis. An amendment was submitted by the Company to it's Research Licence on June 15, 2020 to add administration to and/or testing on humans involving the consumption of cannabis. This amendment is in final review with Health Canada.

The Analytical Testing Licence under the Cannabis Act authorizes the holder to possess cannabis and alter the chemical or physical properties of cannabis for the purposes of testing. This license will allow the Company, should it so choose, to conduct analytical testing for third parties.

Canadian Securities Regulation Regarding U.S. Cannabis Activities

Currently, certain U.S. states permit the use and sale of marijuana within state specific regulatory frameworks notwithstanding that marijuana continues to be listed as a controlled substance under U.S. federal law. This clearly creates a conflict between state and federal law where at present the U.S. Department of Justice has communicated that it will generally not enforce federal prohibitions on U.S. states that have authorized this conduct if the state has implemented a strong and effective regulatory program. As this federal guidance is subject to change, rescission or alteration, risk and uncertainty would exist for any issuer undertaking U.S. marijuana-related activities with consequences being potentially material and pervasive.

On October 16, 2017, the Canadian Securities Administrators, through Staff Notice 51-352 *Issuers with U.S. Marijuana-Related Activities* announced specific disclosure expectations of issuers that currently have, or are in the process of developing, marijuana-related activities in the U.S. states where such activity has been authorized within a state's regulatory framework.

Further, the TSX published bulletin 2017-0009 with respect to Sections 306 and 325 *Minimum Listing Requirements and Management* and Part VII *Halting of Trading, Suspension and Delisting of Securities* (collectively, the "Requirements") to provide clarity regarding the application of the Requirements to applicants and listed issuers in the marijuana sector. Although the TSX acknowledges the current state/federal circumstances and the guidance concerning enforcement of the provisions, it concludes that the guidance does not have force of law and can be revoked or amended at any time. As a result, the TSX has stated that issuers with ongoing marijuana-related business activities in the U.S. are not complying with the Requirements of the TSX Company Manual.

At present, Radient is not conducting any U.S. marijuana-related activities. As a result, the Company is in full compliance with the Canadian regulatory requirements.

EU Requirements

Manufacturers, importers and distributors of medicines in the EU must be licensed before they can carry out those activities. Manufacturers listed in the application of a medicine to be marketed in the EU are inspected by an EU competent authority. If the medicinal product is imported from a third country, the application should also include information on GMP inspections of the manufacturing site(s) concerned carried out in the last 2-3 years by European Economic Area (EEA) competent authorities and/or by competent authorities of countries where a Mutual Recognition Agreement (MRA) is in operation. Obtaining a favorable GMP compliance inspection result from an EU competent authority against the EU GMP requirements will allow product manufactured at Radient to be imported into Europe.

German Requirements for Processing of Cannabis

The import, processing and distribution of medical cannabis in Germany is legally permitted and is essentially governed under two Federal acts. To operate in Germany, the Company (or its affiliates) will require a series of permits as detailed below.

Manufacturing permit

The Company will require a general manufacturing permit for the manufacturer of medicine products under sec. 13 of the Medicines Act (Arzneimittelgesetz – "AMG""). Under the AMG "manufacturing" includes producing, preparing, formulating, treating or processing, filling, packaging, labeling and final release of a medicine product. The application for the manufacturing permit must contain information regarding personnel, including designating a qualified person (who is responsible for the manufacture and release of medicine products), facilities information, manufacturing equipment and processes to be used as well as testing capabilities and storage.

The manufacturing permit, when granted, is non-transferrable i.e. entity specific and is for specific facilities and premises. It can be limited to specific products or categories of products. The permit is only granted after the competent authority has inspected the facility and has certified that the applicant complies with the principles of GMP as laid out by the European Union Commission's guidelines.

Under German law, a manufacturing permit should be granted within three months after the application once all necessary documents have been filed with the authorities and are in satisfactory condition. The application for the permit can only be made at the point that the manufacturing facility is ready to operate. The permitting process is a consultative process with the authorities to ensure that the set up of the manufacturing operation will be accomplished in a manner acceptable to the authorities. This facilitates a timely review of the application. The Company has had ongoing consultations with the local regional AMG authorities regarding its pending application and, to date, no significant concerns have been raised.

Narcotics Handling Permit

Pursuant to sec. 3 of the Narcotics Act (Betäubungsmittelgesetz – "BtMG"") the Company will require a permit to handle narcotics from the Federal Institute for Drugs and Medical Devices (Bundesinstitut für Arsneimittel und Medizinprodukte – "BfArM""). Under the BtMG, "handling" includes cultivating, producing, trading, importing, exporting, distribution or producing preparations of narcotics. Medical cannabis with more than 0.2 percent THC is covered under the BtMG. The application for the permit must contain information regarding the facilities, manufacturing or operating processes to be used including product specifications, testing and quality assurance, personnel (including the qualified person who is responsible for the compliance of regulatory obligations under the permit) and security measures.

Under German law, a narcotics handling permit should be granted within three months after the application once all necessary documents have been filed with the authorities and are in satisfactory condition. The permit granted must describe the kind of narcotics, the premises, expected amounts handled and amounts to be stored. The permit can be subject to terms and conditions which are deemed necessary to ensure the safety and control of narcotics.

The application for the permit can only be made at the point that the Company's manufacturing facility is ready to operate. The permitting process is a consultative process with the authorities to ensure that the set up of the manufacturing operation will be accomplished in a manner acceptable to the authorities. This facilitates a timely review of the application. The Company has had ongoing consultations with the BfArm and law enforcement authorities regarding its pending application and, to date, no significant concerns have been raised.

Import Permits

Should the Company decide to handle medical cannabis that has not originated from Germany, the Company will be required to import the material from another country. To do so, the Company would require two kinds of import permits.

First, the Company needs a general permit granted by BfArM to import medicines pursuant to sec. 72 of the AMG. The application must specify which products are to be imported as the import of medical cannabis is particularly regulated. Imports are only allowed from countries fulfilling certain criteria, namely complying with the United Nations Single Convention on Narcotic Drugs of 1961 ("Single Convention"). The BfArM does not issue a comprehensive list of countries it considers to fulfill the criteria. Instead, it will evaluate an exporting country's compliance with the Single Convention only when a permit for importing from that country has been applied for. So far, only permits for the import from the Netherlands, Canada and Austria have been granted. Other countries are being reviewed currently and may be admitted later in 2019. Under German law, a general import permit should be granted within three months after the application once all necessary documents have been filed with the authorities and are in satisfactory condition.

Second, each import requires its own permission under sec. 11 BtMG and the application is made on an import by import basis. This shipment specific import permission has the purpose to grant the authorities the control over the kind, amount, timing and destination of narcotics imported into Germany. Typical timelines for receipt of an individual import permission can run up to several weeks.

Wholesale Permit

The wholesale of medicines requires a wholesale permit according to sec. 52a of the AMG. However, if the Company already holds a manufacturing permit, which is currently the Company's intention, or a general import permit, then the wholesale permit is included therein. Only if the Company does not manufacture or import, meaning that it is a mere intra-German distributor, a separate wholesale permit will be necessary.

Real Estate Acquisition

On May 3, 2018, the Company completed the acquisition of a 100% interest in 1631807 Alberta Ltd. (the "JV Company") from the Amnor Group Inc. (previously 1396730 Alberta Ltd.). Amnor Group Inc. is controlled by Harry Kaura, a director of the Company. The JV Company owns the land and building that contains the 23,000 sq. ft manufacturing facility in Edmonton, Canada operated by Radient. Immediately subsequent to the acquisition, the JV Company completed a real estate transaction with Amnor Group Inc. to purchase two parcels of land, including an existing warehouse and office building (the "Adjacent Lands") adjacent to Radient's production facility. In January of 2019 these buildings were demolished, and the Company commenced construction of "Edmonton III", its planned 89,000 sq. ft manufacturing facility.

In connection with the transactions, Radient secured a $5.5 million mortgage from Moskowitz Capital Mortgage Fund II Inc. (the "**Mortgage**") and used a portion of the proceeds to discharge the existing mortgages on the Edmonton Manufacturing Facility and the Adjacent Lands. The Mortgage has a term of 30 months with an interest rate of the greater of 8.50% or the Bank of Nova Scotia Prime Rate plus 5.05% per annum. The Mortgage is secured by the Edmonton Manufacturing Facility and the Adjacent Lands as well as a charge over all of Radient's present and after acquired personal property.

Harry Kaura, a director of Radient, is a control person of Amnor Group Inc. and therefore each of the transactions constitutes a "related party transaction" under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). The Company is relying on exemptions from the formal valuation and minority approval requirements of MI 61-101 based on a determination that the securities of the Company are listed on the TSXV and that neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the transactions, insofar as it involves interested parties, exceeds 25% of the market capitalization of the Company.

Intellectual Property

Radient currently owns two issued patents, six Trade Marks, 49 PCT patent applications and 2 provisional patent applications. A summary of Radient's patents, patent applications and registered trade-marks follows:

Title	Filing Date	Number
Patents		
CONTROLLED ENERGY DENSITY MICROWAVE ASSISTED PROCESSES	05-Nov-98	CA2287841
METHODS FOR MAKING CYCLOPAMINE	03-Jul-09	CA2727986
METHODS FOR MAKING CYCLOPAMINE	03-Jul-09	US9000168
Patent Applications		
CONTINUOUS FLOW MICROWAVE-ASSISTED EXTRACTION OF CANNABIS BIOMASS	02-May-19	PCT/IB2019/053608
WATER SOLUBLE AND WATER DISPERSIBLE FORMULATIONS OF CANNABINOIDS	01-May-19	PCT/IB2019/053569
METHOD OF DECARBOXYLATING ACIDIC CANNABINOIDS	02-May-19	PCT/IB2019/053612
OBTAINING CANNABIS EXTRACTS FROM BIOMASS FOR USE IN FOOD	01-May-19	PCT/IB2019/053563
PREPARING A BLEND THAT MIMICS A PLANT PROFILE	02-May-19	PCT/IB2019/053604
EXTRACTION USING A MICROWAVE ASSISTED EXTRACTOR	02-May-19	PCT/IB2019/053606
EXTRACTION OF COMPOUNDS FROM CANNABIS BIOMASS USING FOOD-GRADE SOLVENT	27-Apr-19	PCT/IB2019/053466
OBTAINING EXTRACTS IN A SOLID FORM	02-May-19	PCT/IB2019/053571
PROCESS FOR REDUCING NICOTINE IN TOBACCO BIOMASS AND TOBACCO COMPOSITION	31-May-19	PCT/IB2019/054504
EXTRACTING ACTIVE COMPOUNDS FROM A BIOMASS	10-Oct-19	PCT/IB2019/058627
INTELLIGENCE DRIVEN AUTOMATION OF BIOMASS EXTRACTION	17-Oct-19	PCT/IB2019/058877
TEMPERATURE CONTROL FOR ACTIVE COMPOUND EXTRACTION	18-Oct-19	PCT/IB2019/058928
METHOD OF AUTOMATING CANNABIS DECARBOXYLATION AND EXTRACTION BY RECURSIVE DECARBOXYLATION, SAMPLING AND EXTRACTION STEPS	22-Oct-19	PCT/IB2019/058959
FROZEN BIOMASS EXTRACTION	17-Oct-19	PCT/IB2019/058883
SUPPLY CHAIN TRACKING	21-Oct-19	PCT/IB2019/058954
CONCENTRATE CORRELATION SYSTEM	22-Oct-19	PCT/IB2019/058958
SMART TOTE	14-Oct-19	PCT/IB2019/058748
HYPERSPECTRAL TESTING	15-Oct-19	PCT/IB2019/058783
SMART VAPORIZER	14-Oct-19	PCT/IB2019/058744
GROWTH MONITORING SYSTEM	15-Oct-19	PCT/IB2019/058797
POTENCY TESTING OF AN EDIBLE CANNABIS PRODUCT	21-Oct-19	PCT/IB2019/058950
FLAVORING PROCESS	21-Oct-19	PCT/IB2019/058952
CONCENTRATION ADDITION SYSTEM	15-Oct-19	PCT/IB2019/058782
YIELD AND MARKET ANALYTICS	17-Oct-19	PCT/IB2019/058886
POST HARVEST OPTIMIZATION	22-Oct-19	PCT/IB2019/058966
DOSAGE TESTING	18-Oct-19	PCT/IB2019/058918
CONCENTRATE PROFILING AND LABELING	18-Oct-19	PCT/IB2019/058914
CONSUMPTION WEARABLE	22-Oct-19	PCT/IB2019/058962
SIDE EFFECTS AND SYMPTOM RELIEF	18-Oct-19	PCT/IB2019/058925
DESCRIPTIVE ONSET PACKAGING	22-Oct-19	PCT/IB2019/058961
STRAIN ENGINEERING	22-Oct-19	PCT/IB2019/058960
EXTRACTION-BASED CONTRACT EXECUTION	18-Oct-19	PCT/IB2019/058922
SOCIAL MEDIA DATA ANALYSIS AND MONETIZATION	22-Oct-19	PCT/IB2019/058964
CANNABIS CONCENTRATE DISPENSER SYSTEM	14-Oct-19	PCT/IB2019/058753
SMART PATCH	22-Oct-19	PCT/IB2019/058967
MONITORING-BASED USAGE SUGGESTION SYSTEM	15-Oct-19	PCT/IB2019/058792
CONSUMPTION APPARATUS	15-Oct-19	PCT/IB2019/058787
COGNITIVE TESTING PRODUCT SELECTION SYSTEM	12-Feb-19	PCT/IB2020/051096
DRINK ADDITIVE POINT OF USE ARTICLE OF MANUFACTURE	12-Mar-19	PCT/IB2020/052146
VOICE BASED PRODUCT SELECTION SYSTEM	12-Feb-19	PCT/IB2020/050997
EFFECT ONSET INDICATING PACKAGING	12-Mar-19	PCT/IB2020/052068
PREPROGRAMMED MULTIPLE TANK VARIABLE INPUT VAPORIZER	12-Feb-19	PCT/IB2020/051101
RETAIL POS TESTING AND ORGANIZER AND REORDERING	12-Mar-19	PCT/IB2020/052160
CANNABIS NASAL INHALER WITH COMBINED TREATMENTS	11-Feb-19	PCT/IB2020/050998
BEVERAGE DELIVERY SYSTEMS	22-Feb-19	PCT/IB2020/051491
TRANSDERMAL PATCH KIT WITH TRANSDERMAL DOSAGE UNITS	12-Mar-19	PCT/IB2020/052035
SYSTEM FOR ALTERATION OF PRODUCT IN LIGHT OF SOCIAL MEDIA FEEDBACK	12-Mar-19	PCT/IB2020/052164
TIME SPECIFIC BIOAVAILABILITY OF CANNABIS EXTRACT IN CONSUMABLE	12-Mar-18	PCT/IB2020/052040
DELIVERY METHODS TO OPTIMIZE BIOAVAILABILITY	11-Feb-19	PCT/IB2020/051090
ENHANCING THE LIFESTYLE OF MEMORY IMPAIRED PATIENTS	31-Oct-19	62/929,029
CANNABINOID BASED COMPOSITION FOR MITIGATION OF VIRAL EFFECTS	26-Mar-20	63/000,032
Trademarks		
MAP (Canada)		933950
MAP (France)		94/512023
MAP (Italy)		0001601704
MAP (USA)		2012278
ENABL (Canada)		1861307
CANNX (Canada)		1868465

Late in fiscal 2018, Radient engaged an intellectual property and innovation consulting firm to help strategically enhance the Company's intellectual property portfolio and install processes to manage and protect the intellectual property which supports Radient's competitive advantage. As a result of this initiative, Radient has identified a number of innovations that have been filed as provisional patent applications. The technologies covered in these patent applications relate to:

- methods for obtaining nicotine-depleted tobacco without materially altering certain desirable properties of the tobacco;
- methods, systems and apparatus for improving the efficiency, purity, quality, and yield of biomass extraction, especially biomass related to cannabis, and compositions relating to the same;
- methods and systems for improving the efficiency, accuracy, and security of supply chain tracking for extractable biomass, especially cannabis biomass;
- methods and systems for improving the safety, potency, flavour, and experience of cannabinoid extracts used in the manufacturing of food and beverage products; and
- methods and systems for cannabinoid consumption products and devices.

All of the current applications were first filed as provisional patent application in the USPTO in order to establish a priority date. The Company has since replaced replace the provisional applications with full PCT utility applications with the World Intellectual Property Organization within the 12 month time limit, which has been completed. This will allow for eventual nationalization of the patents in appropriate PCT jurisdictions, including Canada, the U.S., and various EU countries, as desired.

Expansion Projects

Edmonton I – Additional Equipment

The Company is primarily producing cannabinoid resins and distillates from this facility, having added additional equipment and made process changes to include these bulk product offerings. Production capacity for "bottle-ready" cannabinoid oils remains unchanged as a result of resin and distillate production.

Edmonton II − Plant Retrofit

In its Q3 MD&A, the Company announced that its plans to retrofit its main facility to accommodate CBD extraction from hemp had been deferred to the second half of calendar 2020. As of the date of this MD&A, in the interest of preserving capital and in response to a lack of supply of hemp containing adequate high-potency CBD, the Company is deferring the retrofit project indefinitely.

The Company is continuing to process CBD from both hemp and cannabis using the existing Edmonton I manufacturing line. Furthermore, the Company expects to make optimal use of the EDM II square footage by extending its offerings further "downstream" in the value chain, by adding capability to produce and package white label products including such products as oils, vaping liquids, concentrates, topicals and non-baked edible cannabinoid products.

Edmonton II − Phase I:

Disclosed	Budget	Revised budget	Reason
July 2018 Short Form Prospectus	$ 3.0 M	$ -	Original budget
June 2019 MD&A	$ 3.0 M	$ 5.0 M	Additional required equipment and refinement of existing equipment and facility space
March 2020 MD&A	$ 5.0 M	$ 5.0 M	No revision

As at March 31, 2020, the total amount spent on this project was approximately $3.6 million which includes $0.5 million of equipment, and $3.1 million of assets under construction (for equipment and construction related costs).

Edmonton III – New Plant

As of the date of this MD&A, continued construction of the new building for Edmonton III has been deferred to at least calendar 2021, in the interest of capital preservation. In the interim, the Company will continue to process material and develop products from its existing Edmonton facility footprint.

Disclosed	Budget	Revised budget	Reason
July 2018 Short Form Prospectus	$ 14.5 M	$ -	Original budget
September 2018 MD&A	$ 14.5 M	$ 18.5 M	Addition of specialized equipment
December 2018 MD&A	$ 18.5 M	$ 24.5 M	Additional site preparation and environmental readiness costs, alterations to the building design and further specialized equipment.
March 2020 MD&A	$ 24.5 M	$ 24.5 M	No revision

As at March 31, 2020, the total amount spent on this project is approximately $20.4 million which includes $0.5 million of equipment, and $19.9 million of assets under construction (including both renovation and equipment related costs).

Germany

In its MD&A for the three months ended December 31, 2019, the Company disclosed the deferral of commissioning its Germany project to the first half of calendar 2021. In the interest of capital preservation and the Company's focus on its domestic operations, the project has been deferred until at least the end of calendar 2021.

As at March 31, 2020, the total amount spent on this project relating to assets under construction is approximately $2.7 million. This relates to scoping, permitting, engineering and consulting services for plant and equipment design, as well as environmental assessments.

France

Radient's Facilities Access and Technical Services Agreement ("Agreement") with Processium, Lyon, France commenced November 2018. The agreement is for an initial 12-month term. A new contract was entered into on November 1, 2019 for an additional 12-month term. The fixed fee Agreement gives Radient access to laboratory facilities, equipment, expertise in separation and purification processes, and technical and operational support within its Villeurbanne (Lyon) laboratory and pilot plant operations. The Company has acquired and setup two microwave lines in a dedicated modern laboratory space within these facilities. The equipment is representative of the industrial equipment already developed for Edmonton I and II and will be mainly used for innovative R&D projects, project development, and to support the activities of Edmonton's product development team. The Company's initial capital budget disclosed in the MD&A for the quarter ended December 31, 2018 was $0.5M to which there have been no changes. These capital expenditures will be in addition to the monthly fees paid to Processium. For the year ended March 31, 2020, approximately $173K of operating expenses (2019 - $162K) and $nil (2019 -$126K) of equipment purchases have been made.

Competitive Conditions

While the Radient MAP™ technology is potentially disruptive in the marketplace, the industrial technology industry is intensely competitive in all its phases, and Radient will compete with many companies that have substantially greater financial and technical resources.

New technology may be developed, and new advances may significantly reduce the value of Radient's MAP™ technology. In recent history, Radient has not sold its technology on a commercial scale, and it will compete against more established companies, some of which have greater financial, marketing and other resources than that of Radient.

There can be no assurance that potential competitors of Radient, which may have greater financial, R&D, sales and marketing and personnel resources than Radient, are not currently developing, or will not in the future develop, products and strategies that are equally or more effective and/or economical as any products or strategies developed by Radient or which would otherwise render its products or strategies obsolete. See "*Risk Factors*".

Employees

As at the conclusion of the financial year ended March 31, 2020, the Company had 33 employees. The Company considers its employee relations to be amicable. In addition, the Company engages contractors and consultants from time to time for administrative, legal and other services as required.

Other

Listings

TSXV Status Upgrade

Effective October 29, 2018, the Company was approved for graduation from the TSXV Tier 2 status to TSXV Tier 1 status. Tier 1 is reserved for the Exchange's most advanced issuers with significant financial resources. Tier 1 status gives companies access to a more favorable regulatory environment, decreased filing requirements and increased opportunity for participation by institutional investors. This enables the Company to have a broader investor reach with the goal of enhanced liquidity. The Company's successful capital raises throughout this fiscal year coupled with improvement in its market capitalization over the last 18 months were favorable factors that facilitated the Company's graduation.

OTC Listing

Effective December 19, 2018, the Company's common shares commenced trading on the OTC in the United States, under the trading symbol RDDTF. The OTC is operated by the OTC Markets Group in New York, and is reserved for established, investor-focused U.S. and international companies. Radient believes that listing on this platform will increase its visibility and accessibility amongst investors in the U.S., while also helping the Company to build liquidity.

RISK FACTORS

An investment in the Company is speculative and involves a high degree of risk due to the nature of the Company's business. The following risk factors, as well as risks not currently known to the Company, could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements contained herein. Prospective investors should carefully consider the following risk factors along with the other matters set out herein:

General

An investment in the Company is only suitable for investors capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which may result. A prospective investor should consider with care whether an investment in the Company is suitable for them in the light of his personal circumstances and the financial resources available to them.

An investment in the Company should not be regarded as short-term in nature. There can be no guarantee that any appreciation in the value of the Company's investments will occur or that the investment objectives of the Company will be achieved. Investors may not get back the full or any amount initially invested.

The prices of shares and the income derived from them can go down as well as up. Past performance is not necessarily a guide to the future.

Changes in economic conditions including, for example, interest rates, rates of inflation, industry conditions, competition, political and diplomatic events and trends, tax laws and other factors can substantially and adversely affect equity investments and the Company's prospects.

Financial History and Capital Requirements

The Company has incurred operating losses and not had a corresponding increase in revenues to offset these losses. The operations of the Company and its execution on business opportunities will depend on its ability to generate operating revenues through additional customers and to procure financing. The Company had a cumulative deficit of $127,283,409 as of March 31, 2020 with a working capital deficit of $16,401,248. The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that additional financing, including offerings of Notes or Debentures, can be obtained on terms favourable to Radient or on any terms. Failure to raise the necessary funds in a timely fashion may also limit Radient's ability to move its programs forward in a timely and satisfactory manner, or cause it to abandon the programs or force it to pursue alternative strategic options; any of which would harm its business, financial condition and results of operations, or affect its ability to continue operating.

Impact of the COVID-19 Pandemic

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as COVID-19, has resulted in governments worldwide, including Canada, the United States and several European countries enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Such events may result in a period of business disruption, and in reduced operations, any of which could have a material adverse impact on the Company's profitability, results of operations, financial condition and the trading price of the Company's securities.

Governments and central banks have reacted to the COVID-19 pandemic with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 pandemic is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

To date, a number of businesses have suspended or scaled back their operations and development as cases of COVID-19 have been confirmed, for precautionary purposes or as governments have declared a state of emergency or taken other actions. If the operation or development of one or more of the Company's properties is suspended or scaled back, it may have a material adverse impact on the Company's profitability, results of operations, financial condition and the trading price of the Company's securities.

To the extent that the Company's management or other personnel are unavailable to work due to the COVID-19 pandemic, whether due to illness, government action or otherwise, it may have a material adverse impact on the Company's profitability, results of operations, financial condition and the trading price of the Company's securities.

The breadth of the impact of the COVID-19 pandemic on investors, businesses, the global economy and financial and commodity markets may also have a material adverse impact on the Company's profitability, results of operations, financial conditions, ability to raise additional capital and the trading price of the Company's securities.

Forward-Looking Statements May Prove Inaccurate

Shareholders are cautioned not to place undue reliance on forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties are found in this AIF under the heading "*Forward-Looking Statements*".

Price Volatility of Common Shares

The market price of the Common Shares has in the past been, and may in the future be, subject to large fluctuations which may result in losses for investors. The market price of the Common Shares may increase or decrease in response to a number of events and factors, including:

- Radient's operating performance and the performance of competitors and other similar entities;
- the public's reaction to Radient's press releases, other public announcements and filings with the various securities regulatory authorities;
- changes in earnings estimates or recommendations by research analysts who track Radient's securities;
- the operating and share price performance of other entities that investors may deem comparable;
- changes in general economic and/or political conditions;
- the arrival or departure of key personnel;
- acquisitions, strategic alliances or joint ventures involving Radient or its competitors;
- the number of Common Shares sold on any one day or in the aggregate pursuant to the Company's ATM Program (as defined herein).

In addition, the market price of the Common Shares is affected by many variables not directly related to the success of Radient and not within Radient's control, including other developments that affect the market for all cannabis sector securities or the equity markets generally, the breadth of the public market for the Common Shares, and the attractiveness of alternative investments. These variables may adversely affect the prices of the Common Shares regardless of Radient's operating performance.

Realizing Growth Targets

Radient's ability to meet projected production targets, and its ability to increase production capacity as planned, may be affected by a number of factors, including plant design errors, non-performance by third party contractors, increases in material or labor costs, construction performance falling below expectations, contractor or operator errors, breakdowns, aging or failure of equipment or processes, labor disputes, as well as the potential impacts of major incidents or catastrophic events on its facility, such as fires, explosions or storms. Should Radient's production not meet its projections, and if it cannot increase production capacity as planned, there could be a material adverse effect on its business, results of operations and financial condition.

Global Political and Economic Instability

The Company could be affected by political or economic instability in the jurisdictions where it expands and/or operates. The risks include, but are not limited to, terrorism, military repression, extreme fluctuations in currency exchange rates and high rates of inflation. Changes in the relevant regulatory environments or shifts in political attitude in countries in which the Company operates may adversely affect its business. Operations could be affected to varying degrees by government regulation with respect to restrictions on production, distribution, price controls, income taxes, expropriation of property, maintenance of assets, environment regulation and land use, among other things. The effect of these factors cannot be accurately predicted.

Expanding Operations Outside Canada

As Radient continues to pursue operations and opportunities in foreign jurisdictions, there may be new or unexpected risks or significantly increased exposure to one or more existing risk factors including economic instability, changes in laws and regulations and the effects of additional competition. These factors may limit the Company's ability to successfully expand its operations and may have a material adverse effect on its business, financial condition and results of operations.

Expansion Efforts May Not Be Successful

There is no guarantee that the Company's intentions to expand and construct additional production capacity in Canada and abroad and to expand the Company's marketing and sales efforts will be completed in a timely manner or at all. Failure to successfully execute Radient's expansion strategy (including receiving applicable regulatory approvals and permits) could adversely affect the Company's business, financial condition and results of operations and may result in failure to meet anticipated or future demand for the Company's products and services, when and if that demand arises.

In addition, the construction of Edmonton III and the proposed German manufacturing facility are subject to various potential problems and uncertainties, and may be delayed or adversely affected by a number of factors beyond the Company's control, including regulatory approvals, permits, delays in the delivery or installation of equipment, difficulties in integrating new equipment with existing components, shortages in materials or labour, defects in design or construction, diversion of management resources, insufficient funding or other resource constraints. Moreover, actual costs for construction may exceed budgets. As a result of construction delays, cost overruns, changes in market circumstances or other factors, the Company may not be able to achieve the intended economic benefits from the construction of the new facilities which, in turn, may materially and adversely affect its business, prospects, financial condition and results of operations.

Inability to Meet Customer Requirements

In a manufacturing environment, products may be subject to return, for a variety of reasons, including defects, such as contamination, unintended interactions with other substances, inappropriate packing causing spoilage and other reasons. If any of the products processed by Radient are returned due to alleged defects or for any other reason, the Company could incur unexpected expenses of recall and re-processing and any legal proceedings that may arise in connection with such recall and re-processing. Significant sales could be lost and the Company may be unable to replace those sales at an acceptable margin or at all. Although the Company has detailed procedures in place for testing incoming product as well as finished products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen returns, regulatory action or lawsuits, whether frivolous or otherwise. Recalls or returns could affect the Company's reputation and decrease demand for Radient's products resulting in material adverse effects on the business, financial condition and results of operations. Further issues of this nature may lead to increased scrutiny of the Company's operations by Health Canada or other regulatory agencies, requiring further management attention, increased compliance costs and potential legal fees, fines, penalties and other expenses and sanctions.

Product Liability

As a manufacturer of products designed to be inhaled or ingested by humans, the Company faces inherent risk of exposure to product liability claims, regulatory action and potential litigation if its manufacturing process is alleged to have caused significant loss or injury. In addition, manufacture and ultimate sale of cannabis end-user products involves 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 cannabis products along or in combination with other medications or substances may occur. Product liability claims or regulatory action against the Company could result in increased costs, may affect the Company's reputation and could have a material adverse effect on Radient's business, financial condition and results of operations.

Uninsured or Uninsurable Risks

Radient may be subject to liability for risks against which it cannot insure or against which it may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for normal business activities. Payment of liabilities for which the Company does not carry insurance may have a material adverse effect on Radient's financial position and operations.

Potential Litigation

The Company may become party to regulatory proceedings, litigation, mediation and/or arbitration from time to time in the ordinary course of business which could adversely affect the business. Monitoring and defending against legal actions, whether or not meritorious, can be time-consuming, divert management's attention and resources and cause significant expenses. While Radient has insurance that may cover the costs and awards of certain types of litigation, the amount of such coverage may not be sufficient. Substantial litigation costs may adversely impact the Company's business, operating results or financial condition.

Manufacturing Scale Up

The Company anticipates producing larger individual batch sizes on a continuous or near continuous basis. Commensurate increases in product loss due to contamination, or for any other reason, can expose the Company to increased manufacturing costs. As well, the Company may not be able to replace lost product in a timely manner, at an acceptable margin or at all, in some cases. Running continuous, large scale batches may have a number of implications that the Company has not previously experienced or is not fully of aware of or able to anticipate. The useful life of equipment and/or parts may be much shorter than anticipated with an increased need for replacement. Similarly, there is increased risk of equipment failure at higher inputs. As equipment and parts are highly customized and generally require advance orders with significant lead times, there may be significant delays in receiving the equipment and/or parts from suppliers. Depending on the severity and the impact of continuous use on the Company's equipment and production processes, unplanned shutdowns may be required which would result in production delays. Should the Company be unable to scale up as anticipated, there could be a material adverse effect on the business, results of operations, customer relationships and the financial condition of the Company.

Inventory

The Company holds cannabis biomass and finished goods in inventory and its inventory has a shelf life. The Company's inventory may reach its expiration and not be sold. Even though on a regular basis, management reviews the amount of inventory on hand, reviews the remaining shelf life, and estimates the time required to manufacture and sell such inventory, write-downs of inventory may still be required. Write-downs in inventory value or losses on inventory purchase commitments depend on various factors, including those related to customer demand, economic and competitive conditions, technological advances or new product introductions by the Company or its customers that vary from its current expectations. Any such write-down of inventory could have a material adverse effect on the Company's business, financial condition, and results of operations.

Operational Dependence

The successful operation of Radient is dependent on third parties. Due to the novel regulatory landscape for cannabis in Canada and the variability surrounding the regulation of cannabis in the United States, Radient's third party suppliers, manufacturers and contractors may elect, at any time, to decline or withdraw services necessary for the Company's operations. Loss of these suppliers, manufacturers and contractors, including for noncannabis based products coming from the United States, may have a material adverse effect on Radient's business, financial condition, results of operations and prospects. In addition, any significant interruption, negative change in the availability or economics of the supply chain or increase in the prices for the products or services provided by any such third party suppliers, manufacturers and contractors could materially impact Radient's business, financial condition, results of operations and prospects. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on Radient's business, financial condition, results of operations and prospects.

Cannabis Industry

In November 2016, the Company entered into the Cannabinoids market by applying for the relevant accreditation and permits from the Canadian government for conducting research and the eventual commercial production of standardized cannabinoids extracts. The Company's initial application for a Controlled Drugs and Substances Dealer's Licence was prepared for submission at that time.

Licensing

On February 4, 2019, the Company announced that it received its Standard Processing License from Health Canada under the new *Cannabis Act* regulations which came into force on October 17, 2018. The receipt of this license is a key factor in the Company's operational viability. The license permits Radient to legally process, sell and distribute cannabis materials to other federal cannabis license holders. Processing of cannabis biomass to extract cannabinoids including CBD and THC commenced at the Edmonton I manufacturing facility during the 4th quarter of fiscal 2019. The existing facility is capable of processing approximately 200 kg of cannabis biomass per day. As the Company has successfully obtained the License, the risk of receipt no longer exists.

Any failure to comply with the terms of the licenses, or to renew the licenses after their expiry dates, could have a material adverse impact on the financial condition and operations of the business of the Company. Achievement of the Company's business objectives are contingent, in part, upon compliance with the regulatory requirements, including those imposed by Health Canada and other government authorities and obtaining all regulatory approvals, where necessary, for its cannabis related activities. Radient cannot predict the time required to secure all appropriate regulatory approvals for its activities, or the extent of testing and documentation that may be required by government 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 Company's business, results of operation and financial condition.

Radient's business will be subject to a variety of laws, regulations and guidelines relating to marketing, acquisition, manufacture, management, transportation, storage, sale and disposal of cannabis but is also subject to laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. Changes to such laws, regulations and guidelines may cause adverse effects to the Company's operations.

On October 16, 2017, the TSX issued guidance stating that issuers with ongoing marijuana-related business activities in the U.S. would not be complying with the requirements of the TSX company manual and therefore could be subject to a delisting review at the discretion of the TSX. At present, the Company is not conducting any U.S. marijuana-related activities and further has no plans to do so. As a result, the Company is in full compliance with the Canadian regulatory requirements.

Medical Cannabis

The success of the medical cannabis industry may be significantly influenced by the public's perception of cannabis's medicinal applications. Medical cannabis is a controversial topic, and there is no guarantee that future scientific research, publicity, regulations, medical opinion and public opinion relating to medical cannabis will be favourable. The medical cannabis industry is an early-stage business that is constantly evolving with no guarantee of viability.

The market for medical cannabis is uncertain, and any adverse or negative publicity, scientific research, limiting regulations, medical opinion and public opinion relating to the consumption of medical cannabis may have a material adverse effect on our operational results, consumer base and financial results.

Should the size of the medical cannabis market increase as projected the demand for products will increase as well, and for the Company to be competitive, it will need to invest significantly in research and development, marketing, production expansion and further amendments to its Standard Processors License. If the Company is not successful in obtaining sufficient resources to invest in these areas or receive the necessary license amendments, if and when required, the Company's ability to compete in the market may be adversely affected, which could materially and adversely affect the Company's business, its financial condition and operations.

The Company's Relationship with Aurora

Aurora's Shareholdings and Conflicts of Interest with Aurora

As at March 31, 2020, Aurora holds a 11.93% interest in the Company and has the right to vote for the election of directors to the Company's board of directors.

The Company's relationship with Aurora does not impose any duty on Aurora or its affiliates to act in the best interest of the Company. The Company's ownership structure involves a number of relationships that may give rise to conflicts of interest between the Company and the Company's shareholders, on the one hand, and Aurora, on the other hand. In certain instances, the interests of Aurora may differ from the interests of the Company and its shareholders, including with respect to future acquisitions or strategic decisions involving the Company's business. It is possible that conflicts of interest may arise between the Company and Aurora, and that such conflicts may not be resolved in a manner that is in the best interests of the Company or its shareholders. Additionally, Aurora and its affiliates will have access to material confidential information respecting the Company.

Future Changes in Relationship with Aurora

The arrangements between the Company and Aurora do not require Aurora, either directly or indirectly, to maintain any ownership level in the Company. Accordingly, Aurora may transfer all or a substantial portion of its interest in the Company to a third party, including in a merger or consolidation or sale of the common shares, without the consent of the Company or its shareholders, but subject to market conditions, Aurora's requirements for capital or other circumstances that may arise in the future. The interests of a transferee of the common shares may be different from Aurora's and may not align with those of other shareholders. The Company cannot predict with any certainty the effect that any such transfer would have on the trading price of the common shares or the Company's ability to raise capital in the future. As a result, the future of the Company would be uncertain and the Company's business and financial condition may suffer.

Government Regulation

If Radient, or any future marketing collaborators or contract manufacturers, fail to comply with applicable regulatory requirements, the Company may be subject to sanctions including fines, product recalls or seizures and related publicity requirements, injunctions, total or partial suspension of production, civil penalties, suspension or withdrawals of previously granted regulatory approvals, warning or untitled letters, refusal to approve pending applications for marketing approval of new products, import or export bans or restrictions, and criminal prosecution and penalties. Any of these penalties could delay or prevent the promotion, marketing or sale of Radient products and product candidates.

Environmental

Safety, health and environmental laws and regulations affect nearly all aspects of the Company's operations, including product development, working conditions, waste disposal, emission controls, the maintenance of air and water quality standards and land reclamation, and, with respect to environmental laws and regulations, impose limitations on the generation, transportation, storage and disposal of solid and hazardous waste.

Continuing to meet GMP standards, which the Company follows voluntarily, requires satisfying additional standards for the conduct of its operations and subjects the Company to ongoing compliance inspections in respect of these standards. Compliance with safety, health and environmental laws and regulations can require significant expenditures, and failure to comply with such safety, health and environmental laws and regulations may result in the imposition of fines and penalties, the temporary or permanent suspension of operations, the imposition of clean-up costs resulting from contaminated properties, the imposition of damages and the loss of or refusal of governmental authorities to issue permits or licenses to us or to certify our compliance with GMP standards.

Exposure to these liabilities may arise in connection with the Company's existing and future operations as well as its historical operations. The Company could also be held liable for worker exposure to hazardous substances and for accidents causing injury or death. There can be no assurance that the Company will always be in compliance with all safety, health and environmental laws and regulations notwithstanding the Company's attempts to comply with such laws and regulations.

Changes in applicable safety, health and environmental standards may impose stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The Company is not able to determine the specific impact that future changes in safety, health and environmental laws and regulations may have on the Company's industry, operations and/or activities and its resulting financial position; however, the Company anticipates that capital expenditures and operating expenses will increase in the future as a result of the implementation of new and increasingly stringent safety, health and environmental laws and regulations. Further changes in safety, health and environmental laws and regulations, new information on existing safety, health and environmental conditions or other events, including legal proceedings based upon such conditions or an inability to obtain necessary permits in relation thereto, may require increased compliance expenditures by the Company.

Competition

Radient operates within competitive markets and the Company believes that it has adopted a competitive business strategy. However, Radient's business, results, operations and financial condition could be materially adversely affected by the actions of its competitors (including their marketing and pricing strategies and product and services). Radient may be forced to change the nature of its business as a result of competitive factors and there is no assurance that Radient will be able to compete successfully in the marketplace in which it seeks to operate. See "*Description of the Business – Competitive Conditions*".

Customer Concentration

Although Radient has not generated significant revenue in recent history, nor is there any assurance thereof, its marketing strategy is not to rely on volume sales but instead on a small number of larger sales. Due to this, Radient expects to have a small number of customers, the loss of any one of whom could have a material adverse effect on its revenues and financial results.

Dependence on Key Personnel

The success of Radient depends upon attracting and retaining the services of its management team as well as Radient's ability to attract and retain a sufficient number of other highly qualified personnel to run the business. There is substantial competition for highly qualified personnel in the biotechnology industry, as well as the Alberta marketplace. As most key personnel devote their full time to the business, the loss of any member of Radient's management team or other key person could have a material adverse effect on its business. As Radient's level of business activity grows, it will require additional key administrative and marketing personnel. There can be no assurance that the Company will be successful in hiring such personnel.

Risks Related to Intellectual Property

Radient's success and ability to compete effectively will depend, in part, on its ability to maintain the proprietary nature of its technology and manufacturing processes, the ability to secure and protect its patents, trade secrets, trademarks and other intellectual property rights either developed internally or acquired, and to operate without infringing on the proprietary rights of others or having third parties circumvent the rights that it owns or licences. There can be no assurance that any of Radient's patents will be sufficiently broad to protect the Company's technology or that they will not be challenged or found to be invalid. Moreover, there can be no assurance that the numerous patent applications that the Company has filed will become successful patents or that the claims made in the various applications will remain intact even if the applications become patents.

DIVIDENDS

No dividends on the Common Shares have been paid by the Company to date and the Company has no plans at present to pay dividends.

DESCRIPTION OF CAPITAL STRUCTURE

Authorized Capital

The Company has an authorized share capital consisting of an unlimited number of Common Shares without par value. As of March 31, 2020, the Company had outstanding 277,529,336 fully paid and non-assessable Common Shares without par value.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend all meetings of the shareholders of the Company and have one vote for each common share held at all meetings of the shareholders of the Company. All the Common Shares rank equally within their class as to dividends, voting rights, participation in assets and in all other respects. None of the Common Shares are subject to any call or assessment nor pre-emptive or conversion rights.

MARKET FOR SECURITIES

Trading Price and Volume

The following table sets forth information relating to the trading of the Common Shares on the TSXV for the Company's last completed financial year.

Month	High ($)	Low ($)	Close ($)	Volume
April 2019	1.09	0.92	0.95	20,509,661
May 2019	1.02	0.90	0.93	16,376,787
June 2019	0.99	0.78	0.82	16,485,868
July 2019	0.81	0.73	0.76	8,769,599
August 2019	0.79	0.63	0.71	9,929,255
September 2019	0.80	0.62	0.64	7,108,645
October 2019	0.67	0.49	0.56	9,442,465
November 2019	0.56	0.35	0.48	9,692,112
December 2019	0.59	0.36	0.43	11,407,423
January 2020	0.45	0.33	0.35	8,288,300
February 2020	0.41	0.28	0.39	11,579,601
March 2020	0.40	0.14	0.18	17,085,258

Prior Sales

The following table summarises the grant of securities convertible into Common Shares by the Company during the financial year ended March 31, 2020.

Date Granted/Issued	Number of Securities	Security	Exercise Price
June 5, 2019	470,000	Stock Options	$0.93 per option
October 28, 2019	750,000	Stock Options	$0.58 per option
February 27, 2020	500,000	Stock Options	$0.365 per option

ESCROWED SECURITIES

To the knowledge of the Company, there are no securities of the Company that are in escrow or subject to contractual restriction.

DIRECTORS AND OFFICERS

The Company's directors are elected by the shareholders at each annual meeting and hold office until the next annual meeting at which time they may be re-elected or replaced. Casual vacancies on the Board are filled by the remaining directors, in accordance with the bylaws of the Company, and the persons filling those vacancies hold office until the next annual general meeting at which time they may be re-elected or replaced. The officers are appointed by the Board and hold office at the pleasure of the Board.

The following table sets forth the name of each of our directors and executive officers, their province or state and country of residence, their position(s) with the Company, their principal occupation during the preceding five years and the date they first became a director of the Company.

Name and Residence [(2)]	Position(s) with the Company	Principal Occupations During Past Five Years	Director of Radient Since
Francesco Ferlaino Cetona, Italy	Chairman of the Board of Directors	Radient - Director – June 2016 to Present Previous – Retired	June 1, 2016
Denis Taschuk Alberta, Canada	Chief Executive Officer, President and Director	Radient – President and CEO – October 2011 to Present (including time spent with Radient's predecessor company)	May 22, 2014[(1)]
Prakash Hariharan Ontario, Canada	Chief Financial Officer	Radient – CFO – February 2015 to Present AnalytixInsight Inc.– Chairman and CEO – June 2016 to Present Poydras Gaming Financing Corp. – Director – June 2013 to Present Aguia Resources Ltd. – CEO – April 2013 to May 2016 Wi2Wi Corporation – Director – June 2013 to August 2015	N/A

Name and Residence [2]	Position(s) with the Company	Principal Occupations During Past Five Years	Director of Radient Since
Mike Cabigon Alberta, Canada	Chief Operating Officer and Director	Radient – COO – May 2014 to Present Foundation Ventures GP – Managing Director – June 2009 to Present	May 22, 2014[1]
Steven Splinter British Columbia, Canada	Chief Technology Officer, Corporate Secretary and Director	Radient – CTO – September 2009 to Present (including time spent with Radient's predecessor company)	November 24, 2017
Allan Cleiren, Alberta, Canada	Director	Aurora Cannabis Inc. – COO – May 2017 to Present Jardine Lloyd Thompson Canada Inc. – COO and Director – June 2016 to May 2017 Universal Rail Services Inc. – Executive VP – April 2012 to February 2016 Hempco Food & Fiber Ltd. – Director – September 2017 to Present Capcium Inc. – Director – June 2018 to Present Metrologic Inspection Services. – Director – July 2016 to Present Universal Rail Services Inc. – Director – August 2016 to August 2020 Alberta Insurance Rate Board – Director – July 2011 to February 2018	February 4, 2019
Harry Kaura, Alberta, Canada	Director	Amnor Group Inc. – Principal – April 1997 to Present	May 22, 2014[1]
Jan Petzel London, UK	Director	Eldon Capital Management – Founder and Managing – January 2015 to Present Goldman Sachs International – Managing Director – 2011-2014	December 23, 2016
Jocelyne Lafrenière Quebec, Canada	Director	President & CEO, JFL International – October 2013 to Present	February 7, 2020
Yves Gougoux Quebec, Canada	Director	Publicis Canada - Chairman of the Board – July 2015 to Present	February 7, 2020

Notes:

(1) Messrs. Taschuk, Cabigon, Dauphin and Kaura became directors of the Company on completion of the reverse takeover transaction with Madison. Prior to the completion of the reverse takeover transaction, they were directors of Radient Technologies Inc. (the private predecessor company).

(2) On April 17, 2019, the Company appointed Jocelyne F. Lafreniere and Yves Gougoux as new directors pending approval by Health Canada. In absence of this approval, detailed disclosure has not been included in this AIF.

As at the date of this AIF, the directors and executive officers of the Company, collectively, beneficially own, directly and indirectly, or exercise control or direction over 19,629,016 Common Shares, representing 6.10% of the total number of Common Shares outstanding.

The statement as to the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by the directors and executive officers of Company as a group is based upon information furnished by the directors and executive officers. The statement does not include the 33,101,542 shares held by Aurora; a company of which Mr. Cleiren is the Chief Operating Officer.

The following table details the different Committees of the Board and the directors belonging to each Committee.

Audit Committee	Compensation and Corporate Governance	Health & Safety Committee
Francesco Ferlaino	Francesco Ferlaino	Harry Kaura
Jan Petzel	Denis Taschuk	Mike Cabigon
Jocelyne Lafrenière	Yves Gougoux	

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as disclosed in this AIF, no director or executive officer of the Company is, or within ten years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any company (including the Company) that (i) was subject to a 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, that was in effect for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to a 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, that was in effect for a period of more than 30 consecutive days, 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.
Other than as disclosed in this AIF, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company (i) is, or within ten years prior to the date hereof has been, 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 (ii) has, within ten years prior to the date hereof, 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.

- Denis Taschuk was a director of Tyhee Gold Corp. ("**Tyhee**") from November 2003 until July 2017. Tyhee was subject to a management cease trade order issued on March 31, 2015, and was subject to cease trade orders issued by the British Columbia Securities Commission on June 2, 2015, the Alberta Securities Commission on September 10, 2015 and the Ontario Securities Commission on September 30, 2015 for failure to file audited financial statements for the year ended November 30, 2014 and the subsequent interim financial statements. The cease trade orders remain in effect. A receiver was appointed in respect of a subsidiary of Tyhee on May 9, 2017 and Tyhee filed an assignment into bankruptcy on August 1, 2017.

- Mike Cabigon was a director of Preo Software Inc. ("**Preo**"), a software provider in the print management industry, from September 2008 until September 2012. Preo subject to cease trade orders issued by the Alberta Securities Commission on December 4, 2012, the British Columbia Securities Commission on December 6, 2012, the Ontario Securities Commission on December 18, 2012, the Authorite des Marches Financiers on December 21, 2012 and the Manitoba Securities Commission on January 25, 2013, for failure to file interim financial statements. The cease trade orders remain in effect. A receiver was appointed in respect of a Preo on March 26, 2013.

No director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to (i) 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 (ii) 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

Harry Kaura, a director of the Company, controls Amnor Group Inc. Amnor Group Inc. is the former 50% owner of 1631807 Alberta Ltd., (a company owning the land and building containing the Company's Edmonton Manufacturing Facility). See "*Description of the Business – Real Estate Acquisitions*".

Allan Cleiren is Chief Operating Officer of Aurora. As of March 31, 2020, Aurora holds approximately 11.93 percent of the issued and outstanding Common Shares on a non-diluted basis. Radient and Aurora are parties to the MSA, pursuant to which Radient has agreed to perform certain services for Aurora using its proprietary MAP™ technology, as well as other technologies, as an independent contractor in relation to the development, commercialization and supply of standardized cannabis extracts. The MSA has an initial term of five years, with an option for Aurora to renew the agreement for an additional five years.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is involved in legal proceedings, audit, claims and litigation arising in the ordinary course of its business. To the best of Company's knowledge, there is no reason to believe that the disposition of any such matter could reasonable be expected to have a material adverse effect on the Company's financial position, results of operations or the ability to carry on any of its business activities.

Furthermore, there are no: (a) penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during its most recently completed financial year; (b) other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision in the Company; or (c) settlement agreements the Company entered into before a court relating to securities legislation or with a securities regulatory authority during its most recently completed financial year.

AUDIT COMMITTEE

The Audit Committee Charter

The Company's Audit Committee is governed by an audit committee charter. A copy of the Company's Audit Committee Charter is attached hereto as Schedule "A".

Composition of the Audit Committee

The Company's Audit Committee is comprised of three directors: Francesco Ferlaino (Chair), Jan Petzel, and Jocelyne Lafrenière. As defined in NI 52-110, Mr. Ferlaino, Ms. Lafrenière, and Mr. Petzel are independent.

All the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for the review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The audit committee members meet periodically with management and quarterly with the external auditors.

Relevant Education and Experience of Members of the Audit Committee

Every member in the Audit Committee has sufficient education and experience to perform its responsibilities in relation to the Audit Committee, including:

- Understanding the accounting principles used by the Company to prepare its financial statements;
- Having the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- Experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and
- An understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor (formerly Charlton & Company, Chartered Professional Accountants and currently, Grant Thornton LLP) not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4, 3.2, 3.4, 3.5 or 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee Charter of the Company. A copy of the Company's Audit Committee Charter is attached hereto as Schedule "A".

External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's external auditor in the last two financial years, by category, are as follows:

Financial Year Ended	Audit Fees	Audit Related Fees (1)	Tax Fees (2)	All Other Fees (3)
March 31, 2020	$87,633	$39,590	$24,952	$163,554
March 31, 2019	$78,078	$40,660	$32,406	$37,756

NOTES:

(1) Audit-Related Fees consist of quarterly reviews.
(2) Tax Fees consist of the preparation of the Canadian and US tax returns, tax compliance, tax advice and tax planning.
(3) Fees for the year ended March 31, 2020 include fees related to the valuation of assets $26,750, additional audit procedures of $9,475, international undertakings of $9,630, consultations with respect to Intellectual property of $85,065, and transfer pricing of $32,635. Fees for the year ended March 31, 2019 related to the prospectus of $28,757, international undertakings of $6,955 and CPAB of $2,044.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than disclosed elsewhere in this AIF, no director, senior officer or principal shareholder of the Company and no associate or affiliate of the foregoing have had a material interest, direct or indirect, in any transaction in which the Company has participated within the three year period prior to the date of this AIF, or will have any material interest in any proposed transaction, which has materially affected or will materially affect the Company.

TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar is Odyssey Trust Company, located at 350 300 5th Ave SW, Calgary, AB T2P 3C4.

MATERIAL CONTRACTS

The only material contract that the Company has entered into (i) since the beginning of its most recently completed financial year or (ii) before the beginning of its most recently completed financial year and that is still in effect, other than contracts entered into in the ordinary course of business, are as follows:

- Master Services Agreement with Aurora Cannabis Enterprises Inc. dated November 5, 2017
- Addendum No. 1 to the Master Services Agreement with Aurora Cannabis Enterprises Inc. dated March 26, 2019

NAMES AND INTERESTS OF EXPERTS

The Company's auditors are Grant Thornton LLP of 1701 Scotia Place Tower 2, 10060 Jasper Ave, Edmonton, AB T5J 3R8. Grant Thornton LLP have advised that they are independent of the Company in accordance with the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Alberta, Canada.

ADDITIONAL INFORMATION

Additional information relating to Radient may be obtained from SEDAR at www.sedar.com under the Company's profile.

Additional financial information is provided in the Company's most recent audited financial statements which are available on SEDAR at www.sedar.com under the Company's profile.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, options to purchase securities and interests of insiders in material transactions, where applicable, are contained in the Company's information circular for its most recent annual meeting of shareholders.

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

RADIENT TECHNOLOGIES INC.

(the "**Corporation**")

As adopted by the Board of Directors of the Corporation (the "**Board**"), on May 22, 2014

1. **OVERALL ROLE AND RESPONSIBILITY**

The Audit Committee of the Corporation (the "**Audit Committee**") shall:

(a) Assist the Board in its oversight role with respect to:

(i) the quality and integrity of financial information;

(ii) the independent auditor's performance, qualifications and independence;

(iii) the performance of the Corporation's internal audit function, if applicable; and

(iv) the Corporation's compliance with legal and regulatory requirements.

(b) Prepare such reports of the Audit Committee required to be included in the information/proxy circular of the Corporation in accordance with applicable laws or the rules of applicable securities regulatory authorities.

2. **MEMBERSHIP AND MEETINGS**

(a) The Audit Committee shall consist of three (3) or more Directors appointed by the Board, the majority of whom shall not be officers or employees of the Corporation or any of the Corporation's affiliates. Each of the members of the Audit Committee shall satisfy the applicable independence and experience requirements of the laws governing the Corporation, and applicable securities regulatory authorities.

(b) The Board shall designate one (1) member of the Audit Committee as the Committee Chair. Each member of the Audit Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment. The Board of Directors shall determine whether and how many members of the Audit Committee qualify as a financial expert as defined by applicable law.

3. **STRUCTURE AND OPERATIONS**

(a) The affirmative vote of a majority of the members of the Audit Committee participating in any meeting of the Audit Committee is necessary for the adoption of any resolution.

(b) The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Committee shall report to the Board of Directors on its activities after each of its meetings at which time minutes of the prior Committee meeting shall be tabled for the Board.

(c) The Audit Committee shall review and assess the adequacy of this Charter periodically and, where necessary, will recommend changes to the Board of Directors for its approval.

(d) The Audit Committee is expected to establish and maintain free and open communication with management and the independent auditor and shall periodically meet separately with each of them.

4. **SPECIFIC DUTIES**

(a) Make recommendations to the board for the appointment and replacement of the independent auditor.

(b) Responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.

(c) Authority to preapprove all audit services and permitted -nonaudit- services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.

(d) Evaluate the qualifications, performance and independence of the independent auditor, including: (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation; and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted nonaudit- services is compatible with maintaining the auditor's independence.

(e) Obtain from the independent auditor and review the independent auditor's report regarding the management internal control report of the Corporation to be included in the Corporation's annual information/proxy circular, as required by applicable law.

(f) Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law (currently at least every five years).

(g) Provide timely reports to the board regarding financial reporting matters.

5. **FINANCIAL REPORTING**

(a) Review and discuss with management and the independent auditor:

(i) prior to the annual audit the scope, planning and staffing of the annual audit;

(ii) the annual audited financial statements;

(iii) the Corporation's annual general and quarterly disclosures made in management's discussion and analysis;

(iv) approve any reports for inclusion in the Corporation's Annual Report, if any, as required by applicable legislation;

(v) the Corporation's quarterly financial statements, including the results of the independent auditor's review of the quarterly financial statements and any matters required to be communicated by the independent auditor under applicable review standards;

(vi) significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements;

(vii) any significant changes in the Corporation's selection or application of accounting principles;

(viii) the results and findings of any internal audit procedures performed;

(ix) any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies; and

(x) other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.

(b) Discuss with the independent auditor matters relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.

6. **AUDIT COMMITTEE'S ROLE**

(a) The Audit Committee has the oversight role set out in this Charter. Management, the Board of Directors, the independent auditor and the internal auditor all play important roles in respect of compliance and the preparation and presentation of financial information. Management is responsible for compliance and the preparation of financial statements and periodic reports. Management is responsible for ensuring the Corporation's financial statements and disclosures are complete, accurate, in accordance with generally accepted accounting principles and applicable laws. The Board of Directors in its oversight role is responsible for ensuring that management fulfills its responsibilities. The independent auditor, following the completion of its annual audit, opines on the presentation, in all material respects, of the financial position and results of operations of the Corporation in accordance with Canadian generally accepted accounting principles.

7. **FUNDING FOR THE INDEPENDENT AUDITOR AND RETENTION OF OTHER INDEPENDENT ADVISORS**

(a) The Corporation shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Audit Committee. The Audit Committee shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefor shall also be funded by the Corporation.

8. **APPROVAL OF AUDIT AND REMITTED NON-AUDIT SERVICES PROVIDED BY EXTERNAL AUDITORS**

(a) Over the course of any year there will be two levels of approvals that will be provided. The first is the existing annual Audit Committee approval of the audit engagement and identifiable permitted nonaudit services for the coming year. The second is -inyear- Audit Committee preapprovals of proposed audit and permitted -nonaudit- services as they arise.

(b) Any proposed audit and permitted nonaudit- services to be provided by the External Auditor to the Corporation or its subsidiaries must receive prior approval from the Audit Committee, in accordance with this protocol. The Chief Financial Officer shall act as the primary contact to receive and assess any proposed engagements from the External Auditor.

(c) Following receipt and initial review for eligibility by the primary contacts, a proposal would then be forwarded to the Audit Committee for review and confirmation that a proposed engagement is permitted.

(d) In the majority of such instances, proposals may be received and considered by the Chair of the Audit Committee (or such other member of the Audit Committee who may be delegated authority to approve audit and permitted nonaudit- services), for approval of the proposal on behalf of the Audit Committee. The Audit Committee Chair will then inform the Audit Committee of any approvals.