

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Invictus MD Strategies Corp.		None	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Investor Relations	(844) 800-6086	connect@invictus-md.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
#300 15047 Marine Drive		White Rock, British Columbia, Canada V4B 1C5	
8 Date of action		9 Classification and description	
November 8, 2018		Common Shares	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
46183X	N/A	TSXV: GENE; OTCQX: IVITF	N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On November 8, 2018, Invictus MD Strategies Corp. ("Invictus") distributed all of the outstanding shares of common stock of Poda Technologies Ltd. ("Poda") to the holders of Invictus common shares on a pro rata basis (the "Distribution"). In the Distribution, each holder of one (1) pre-Distribution Invictus common share of stock (an "Old Invictus Share") received one (1) post-Distribution Invictus common share of stock (a "New Invictus Share") and one (1) share of Poda common stock (a "Poda Share").

The Distribution is described in greater detail in the Letter of Transmittal of Invictus dated as of November 8, 2018, which is available at www.sedar.com.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The receipt of a Poda Share by holders of Old Invictus Shares is expected to be taxable for U.S. federal income tax purposes. The recipient's tax basis in the Poda Share received should be equal to the fair market value of such Poda Share on the date of the Distribution.

Invictus has not calculated its "earnings and profits", as determined for U.S. federal income tax purposes. Therefore, it is assumed that the Distribution will constitute a fully-taxable dividend for U.S. federal income tax purposes.

Certain special rules would apply if Invictus was a passive foreign investment company, as defined under Code Section 1297 (a "PFIC"), for any tax year during which a shareholder held Old Invictus Shares. Shareholders should consult with their own tax advisors regarding the U.S. federal income tax consequences of the Distribution and the recognition of taxable gain in connection therewith.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ U.S. federal income tax law is not clear as to the method of determining the fair market value of the Poda Shares. Invictus estimates that the fair market value of a Poda Share on the date of the Distribution was \$0.01 based, in part, upon the five-day trailing volume weighted average for Old Invictus Shares ending on the date of the Distribution. Shareholders should consult their own tax advisors regarding the appropriate method of determining the fair market value of a Poda Share at the time of the Distribution.

Pursuant to Code Sections 301(c) and 316(c), the taxability of the Distribution is determined based upon the current and accumulated earnings and profits of Invictus, as computed for U.S. federal income tax purposes, for the tax year including the Distribution. Invictus has not calculated its current and accumulated "earnings and profits" as determined for U.S. federal income tax purposes. Therefore, it is assumed at that the Distribution will constitute a fully-taxable dividend for U.S. federal income tax purposes.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ The U.S. federal income tax consequences of the Distribution to holders of Old Invictus Shares should be determined under Code Sections 301(c), 316(a) and 317(a).

In addition, if Invictus was classified as a PFIC, then Code Sections 1291 - 1298 would be applicable. Shareholders should consult their own tax advisors regarding the application of the PFIC rules.

18 Can any resulting loss be recognized? ▶ Each holder of Old Invictus Shares should not recognize any loss in connection with the Distribution.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ In general, any gain or loss recognized should be reported by shareholders for the tax year which includes November 8, 2018 (e.g., a calendar year shareholder would report the Distribution on his or her U.S. federal income tax return filed for the 2018 calendar year).

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ Dylan Easterbrook Date ▶ Dec. 20 / 18

Print your name ▶ Dylan Easterbrook Title ▶ CFO

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
<u>John Hollinrake</u>	<u>John Hollinrake</u>	<u>20 Dec 2018</u>		<u>P01568530</u>
Firm's name ▶	Firm's EIN ▶		Phone no.	
<u>Dorsey & Whitney LLP</u>	<u>41-0223337</u>		<u>(206) 903-8812</u>	
Firm's address ▶ <u>Columbia Center, 701 Fifth Avenue, Suite 6100, Seattle, WA 98104</u>				

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054