

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM F-3

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

IM CANNABIS CORP.

(Exact name of registrant as specified in its charter)

Not Applicable

(Translation of Registrant's Name into English)

British Columbia, Canada

(State or other jurisdiction of
incorporation or organization)

Not Applicable

(I.R.S. Employer
Identification No.)

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Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement.

If only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ☐

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a registration statement pursuant to General Instruction I.C. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. ☐

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.C. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. ☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933.

Emerging growth company ☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards[†] provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

[†] The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or

until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. The selling shareholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated August 13, 2025

PROSPECTUS



IM CANNABIS CORP.

Up to 4,982,517 Common Shares

This prospectus relates to the resale, by the selling shareholders identified in this prospectus, of up to 4,982,517 common shares, no par value per share, or the Common Shares, of IM Cannabis Corp, consisting of (i) up to 1,202,000 Common Shares, (ii) up to 848,000 Common Shares issuable upon the exercise of pre-funded warrants, or the Pre-Funded Warrants, (iii) up to 2,792,517 Common Shares issuable upon the exercise of common share purchase warrants issued as part of our 2024 private placement and our 2025 private placement, or collectively the Common Warrants, and (iv) up to 140,000 Common Shares issuable upon the exercise of warrants, or the Finder's Warrants. The Common Shares, Pre-Funded Warrants and Common Warrants were issued as part of units, or each, a Unit.

This prospectus describes the general manner in which the Common Shares may be offered and sold by the selling shareholders. If necessary, the specific manner in which the Common Shares may be offered and sold will be described in a prospectus supplement to this prospectus. No Common Shares are being registered hereunder for sale by us. We will not receive any proceeds from the sale of the Common Shares by the selling shareholders, however we will receive cash proceeds equal to the total exercise price of the Warrants that are exercised. See *"Use of Proceeds"*. The selling shareholders may sell all or a portion of the Common Shares from time to time in market transactions through any market on which our Common Shares are then traded, in negotiated transactions or otherwise, and at prices and on terms that will be determined by the then prevailing market price or at negotiated prices directly or through a broker or brokers, who may act as agent or as principal or by a combination of such methods of sale. See *"Plan of Distribution"*.

Our Common Shares are listed on the Nasdaq Capital Market under the symbol "IMCC." The last reported sale price of our Common Shares on August 12, 2025 was \$2.60 per share.

On May 28, 2025, we announced our intention to voluntarily delist our Common Shares from listing on the Canadian Securities Exchange, or the CSE. After receiving approval from the CSE, the final trading day of our Common Shares on the CSE was the close of business on June 2, 2025.

We are an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act, and a "foreign private issuer", as defined in Rule 405 under the U.S. Securities Act of 1933, as amended, or the Securities Act, and are eligible for reduced public company reporting requirements.

AN INVESTMENT IN OUR SECURITIES INVOLVES RISKS. SEE THE SECTION ENTITLED "RISK FACTORS" BEGINNING ON PAGE 4 AND IN OUR ANNUAL REPORT ON FORM 20-F FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024, WHICH WAS FILED ON MARCH 31, 2025, OR THE 2024 ANNUAL REPORT.

Neither the Securities and Exchange Commission, or the SEC, nor any other foreign securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2025

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You should rely only on the information contained in this prospectus, including information incorporated by reference herein, and prospectus supplement or any free writing prospectus prepared by or on behalf of us or to which we have referred you. Neither we nor the selling shareholders have authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus does not constitute an offer to sell, or a solicitation of an offer to purchase, the securities offered by this prospectus in any jurisdiction to or from any person to whom or from whom it is unlawful to make such offer or solicitation of an offer in such jurisdiction. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of our securities.

For investors outside of the United States: Neither we nor any of the selling shareholders have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourselves about and to observe any restrictions relating to this offering and the distribution of this prospectus. In this prospectus, unless otherwise indicated, all references to “we,” “us,” “our,” the “Company,” “Corporation,” “Group” and “IMC” refer to IM Cannabis Corp. and its consolidated subsidiaries.

Our reporting currency is the Canadian dollar. Unless otherwise expressly stated or the context otherwise requires, references in this prospectus to: (i) “dollars” or “CAD” or “\$” are to Canadian dollars; and (ii) “USD” or “US\$” are to U.S. dollars.

OUR COMPANY

Overview

We are an international cannabis company currently dedicated to providing medical cannabis products to medical patients in Israel and Germany, two key players in the global medical cannabis industry. Following the partial legalization of cannabis in Germany on April 1, 2024, the cannabis market has experienced rapid growth, especially within the medical sector, as access for new patients has become easier. The trend is expected to continue as new users enter the market. IM Cannabis has shifted its focus and resources to concentrate on the burgeoning cannabis market in Germany, where the Company is poised for significant growth. The Company leverages a transnational ecosystem powered by a unique data-driven approach and a globally sourced product supply chain. With an unwavering commitment to responsible growth and adherence to the strictest regulatory environments, the Company strives to amplify its commercial and brand power to become a leading global provider of high-quality cannabis.

Activities in Israel

In Israel, the Company imports, distributes and sells medical cannabis to local medical patients by operating medical cannabis retail pharmacies, online platforms, distribution center and logistical hubs operating through I.M.C. Holdings Ltd.'s, or IMC Holdings', subsidiaries, leveraging proprietary data and patient insights. The Company also preserves its existing proprietary genetics with third-party cultures facilities in Israel.

We continue to expand IMC brand recognition in Israel and supply the growing Israeli medical cannabis market with our branded products. The Company offers medical cannabis patients a rich variety of high-end medical cannabis products through strategic alliances with suppliers supported by a highly skilled sourcing team. In addition to the benefits of the Group's long-term presence in Israel, we believe that with our strong sourcing infrastructure in Israel, and advanced product knowledge, regulatory expertise and strong commercial partnerships, the Company is well-positioned to address the ongoing needs and preferences of medical cannabis patients in Israel and also to partially support the increased medical cannabis users' needs in Germany.

Throughout 2024 and the first half of 2025, the company implemented several strategic measures in Israel to enhance operational efficiency, reduce costs, and improve overall business performance. These initiatives included optimizing logistics and distribution, streamlining workforce and facilities, and adapting to challenges arising from geopolitical events. Key actions taken during the year include:

- We began working with a new processing facility to improve gross margin and enhance business flexibility.
- Reducing shipping and distribution costs through efficiency measures, service provider replacements, and outsourcing.
- Streamlining operations by reducing headcount and closing the trading house to optimize costs.
- Addressing higher costs and operational challenges due to flight disruptions caused by the multi-front conflict Israel is facing, which began in October 2023.

The Company is also operating in the retail segment. The Company, through IMC Holdings, holds two licensed pharmacies, each selling medical cannabis products to patients: (i) Rivoly Trading and Marketing Ltd., also known as "Vironna Pharm", a leading pharmacy in the Arab consumer segment, and (ii) R.A. Yarok Pharm Ltd., or Pharm Yarok, the largest pharmacy in the Sharon plain area and a call center in the country. Vironna Pharm and Pharm Yarok are collectively referred herein as the "Israeli Pharmacies".

The Company also operates a home-delivery services and an online retail platform, under the name "Pharm Yarok", which includes a customer support service center.

The operation in the retail segment in Israel positions IM Cannabis as a large distributor of medical cannabis in Israel. We are strategically focused on establishing and reinforcing a direct connection with medical cannabis patients, providing direct access to IM Cannabis products, obtaining and leveraging market data and gaining a deeper understanding of consumer preferences. The operation of the Israeli Pharmacies allows the Company to increase purchasing power with third-party product suppliers, offers potential synergies with our established call center and online operations, achieve higher margins on direct sales to patients, and creates the opportunity for up-sales across a growing range of products.

Activities in Germany

IMC has been operating through Adjupharm, its German subsidiary, since 2019, building the foundation needed to drive growth after the April 2024 legalization. We believe that our strong sourcing infrastructure in Israel, powered by advanced product knowledge and regulatory expertise, gives us a competitive advantage in the growing German market. This is based on the premise that the German and Israeli markets share a number of common attributes such as robust commercial infrastructure, highly developed digital capabilities, favourable demographics and customer preferences.

The Company's focus in Germany is to import cannabis from its supply partners, which are then sold through our own IMC branded products, as well as exclusive ultra premium Canadian cannabis brands, with which we have signed strategic licensing agreements.

In 2024 and in the first half of 2025, the company focused on building a unique supply chain tailored to the Group's needs in Germany. This process leveraged the extensive knowledge and experience gained in Israel, ensuring its effective implementation in the German market.

Our German operations are underpinned by the German Logistics Center, which is a state-of-the-art warehouse and EU-GMP production facility in Germany with all the necessary licenses to engage in additional production, cannabis testing and release activities. Adjupharm can repack bulk cannabis, perform stability studies and offer such services to third parties.

Recent Financing Activities

2025 Private Placement

On July 30, 2025, we entered into subscription agreements with certain investors for the issuance and sale in a private placement offering of 2,050,000 Units, each Unit consisting of one Common Share (or one Pre-Funded Warrant in lieu of one Common Share) and one Common Warrant at a purchase price of C\$2.74 per Unit, for aggregate gross proceeds of C\$5,622,522, or the 2025 Private Placement. The Common Warrants issued in the 2025 Private Placement have an exercise price of C\$3.43 per Common Share, became exercisable immediately upon issuance and for a period of sixty (60) months from its issuance. The Pre-Funded Warrants have an exercise price of C\$0.00001 per Common Share, became exercisable immediately upon issuance and may be exercised at any time until exercised in full. If the Common Warrants are not exercised by the applicable expiration date, the Common Warrants will expire and be of no further force or effect. The Pre-Funded Warrants, the Common Warrants, and the Common Shares underlying the Pre-Funded Warrants and the Common Warrants may not be traded for a period of four months, unless permitted under applicable securities legislation. The offering closed on July 30, 2025.

In connection with 2025 Private Placement, on July 31, 2025, we entered into an Advisory Agreement, or the "Advisory Agreement, with Pure Equity Ltd., or Pure Equity, pursuant to which Pure Equity provided the Company with advisory services related to the 2025 Private Placement. In consideration of the advisory services, we issued to Pure Equity the Finder's Warrant to purchase up to 140,000 Common Shares, or the Finder's Warrant Shares. In addition, pursuant to the Consulting Agreement, we paid Pure Equity a one-time cash payment of \$260,000 plus applicable taxes. The Finder's Warrant has an exercise price of US\$2.50 per Finder's Warrant Share, became exercisable immediately upon issuance for a period of sixty (60) months following its issuance. The Finder's Warrant and the Finder's Warrant Shares may not be traded for a period of four months, unless permitted under applicable securities legislation.

2024 Private Placement

On November 12, 2024, we entered into subscription agreements with certain investors for the issuance and sale in a private placement offering of 742,517 Units, each Unit consisting of one Common Share and one Common Warrant at a purchase price of C\$2.88 per Unit, for aggregate gross proceeds of C\$2,138,448.96, or the 2024 Private Placement. The Common Warrants issued in the 2024 Private Placement have an exercise price of C\$4.32 per Common Share, became exercisable immediately upon issuance and for a period of sixty (60) months from their issuance. If the Common Warrants are not exercised by the applicable expiration date, the Common Warrants will expire and be of no further force or effect. The offering closed on November 12, 2024.

On August 13, 2025, the Common Warrants issued as part of the 2024 Private Placement were amended to reduce the exercise price of each Common Warrant from C\$4.32 to C\$3.43 and to extend the expiration date of each Common Warrant from November 12, 2026 to July 31, 2030.

ABOUT THIS OFFERING

This prospectus relates to the resale by the selling shareholders identified in this prospectus of up to 4,982,517 Common Shares consisting of (i) up to 1,202,000 Common Shares, (ii) up to 848,000 Common Shares issuable upon the exercise of the Pre-Funded Warrants, (iii) up to 2,792,517 Common Shares issuable upon the exercise of the Common Warrants, and (iv) up to 140,000 Common Shares issuable upon the exercise of the Finder's Warrants. All of the Common Shares, when sold, will be sold by these selling shareholders. The selling shareholders may sell their Common Shares from time to time at prevailing market prices. We will not receive any proceeds from the sale of the Common Shares by the selling shareholders.

Common Shares currently outstanding 5,246,812 Common Shares

Common Shares offered by the Selling Shareholders Up to 4,982,517 Common Shares consisting of (i) up to 1,202,000 Common Shares, (ii) up to 848,000 Common Shares issuable upon the exercise of the Pre-Funded Warrants, (iii) up to 2,792,517 Common Shares issuable upon the exercise of the Common Warrants, and (iv) up to 140,000 Common Shares issuable upon the exercise of the Finder's Warrants.

Use of proceeds: We will not receive any proceeds from the sale of the Common Shares by the selling shareholders. All net proceeds from the sale of Common Shares covered by this prospectus will go to the selling shareholders. However, we will receive cash proceeds equal to the total exercise price of the Pre-Funded Warrants, the Common Warrants and the Finder's Warrants that are exercised. See "*Use of Proceeds*."

We intend to use the proceeds from the exercise of the Pre-Funded Warrants, the Common Warrants and the Finder's Warrants for general working capital, repayment of existing indebtedness and for general corporate purposes.

Risk factors: You should read the "Risk Factors" section starting on page 4 of this prospectus and "Item 3. Key Information – D. Risk Factors" in our most recent annual report on Form 20-F, incorporated by reference herein, and other information included or incorporated by reference in this prospectus for a discussion of factors to consider carefully before deciding to invest in our securities.

Nasdaq Capital Market symbol: "IMCC"

The number of Common Shares to be outstanding immediately after this offering as shown above assumes that all of the Common Shares offered hereby are sold and is based on 5,246,812 Common Shares outstanding as of August 13, 2025. This number excludes:

- an aggregate of 32,249 Common Shares issuable upon the exercise of outstanding options to purchase Common Shares, at exercise prices ranging between C\$3.00 to C\$240 per Common Share, issued to directors, officers, service providers and employees issued under our stock option plan;
- an aggregate of 867,876 Common Shares issuable upon the exercise of outstanding warrants to purchase Common Shares, at an exercise price ranging between C\$4.32 to C\$59.34 per Common Shares, issued to certain investors pursuant to a private placement offering; and
- an aggregate of 256,215 Common Shares issuable upon the exercise of outstanding convertible debentures to purchase Common Shares, at a conversion price of C\$2.61 per Common Share, issued to certain lenders pursuant to a convertible debenture offering.

RISK FACTORS

Investing in our securities involves risks. Please carefully consider the risk factors described in our periodic reports filed with the Securities and Exchange Commission, or SEC, including those set forth under the caption “Summary Risk Factors” and “Item 3. Key Information – D. Risk Factors” in our 2024 Annual Report, which is incorporated by reference into this prospectus. Before making an investment decision, you should carefully consider these risks as well as other information we include or incorporate by reference in this prospectus. You should be able to bear a complete loss of your investment.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains, and any accompanying prospectus supplement will contain, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, the Private Securities Litigation Reform Act of 1995, and other Canadian, Federal and Israeli securities laws. Also, documents that we incorporate by reference into this prospectus, including documents that we subsequently file with the SEC, contain and will contain forward-looking statements. Forward-looking statements are those that predict or describe future events or trends and that do not relate solely to historical matters. You can generally identify forward-looking statements as statements containing the words “may,” “will,” “could,” “should,” “expect,” “anticipate” “objective,” “goal,” “intend,” “estimate,” “believe,” “project,” “plan,” “assume” or other similar expressions, or negatives of those expressions, although not all forward-looking statements contain these identifying words. All statements contained or incorporated by reference in this prospectus and any prospectus supplement regarding our objectives, plans and strategies, statements that contain projections of results of operations or of financial condition, expected capital needs and expenses, statements relating to the research, development, completion and use of our products, and all statements (other than statements of historical facts) that address activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future.

You should not place undue reliance on our forward-looking statements because the matters they describe are subject to certain risks, uncertainties and assumptions, including in many cases decisions or actions by third parties, that are difficult to predict. Our forward-looking statements are based on the information currently available to us and speak only as of the date on the cover of this prospectus, the date of any prospectus supplement, or, in the case of forward-looking statements incorporated by reference, the date of the filing that includes the statement. Over time, our actual results, performance or achievements may differ from those expressed or implied by our forward-looking statements, and such difference might be significant and materially adverse to our security holders. We undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

We have identified some of the important factors that could cause future events to differ from our current expectations and they are described in this prospectus and supplements to this prospectus (if any) under the caption “Risk Factors,” “Use of Proceeds,” and elsewhere in this prospectus as well as in our most recent Annual Report on Form 20-F, including without limitation under the captions “Risk Factors” and “Operating and Financial Review and Prospects,” and in other documents that we may file with the SEC, all of which you should review carefully. Please consider our forward-looking statements in light of those risks as you read this prospectus, the documents incorporated by reference herein and any prospectus supplement.

USE OF PROCEEDS

We will not receive any proceeds from the sale of the Common Shares by the selling shareholders. All net proceeds from the sale of the Common Shares covered by this prospectus will go to the selling shareholders. However, we will receive cash proceeds equal to the total exercise price of the Pre-Funded Warrants, the Common Warrants and the Finder's Warrants that are exercised.

We intend to use the proceeds from the exercise of the Pre-Funded Warrants, the Common Warrants and the Finder's Warrants for general working capital and general corporate purposes.

CAPITALIZATION

The following table sets forth our cash and our capitalization as of June 30, 2025:

- on an actual basis;
- on a *pro forma* basis to give effect to the issuance of 2,050,000 Units in the 2025 Private Placement for aggregate gross proceeds of C\$5,622,522, as if such issuance had occurred on June 30, 2025, net of issuance costs incurred; and
- on a *pro forma* as adjusted basis to give effect to the full exercise of the Pre-Funded Warrants, the Common Warrants and the Finder's Warrants.

The following table should be read in conjunction with "Use of Proceeds," our financial statements and related notes that are incorporated by reference into this form and the other financial information included or incorporated by reference into this form.

| <i>Canadian dollars in thousands</i> | As of June 30, 2025 | | |
|--|---------------------|-----------|--------------------------|
| | Actual | Pro forma | Pro forma as adjusted |
| Cash | \$ 794 | \$ 12,633 | \$ 13,427 |
| Debt: | | | |
| Bank loans and credit facilities | 13,324 | - | 13,324 |
| Convertible debentures | 571 | - | 571 |
| Derivative warrants liabilities | 720 | (708) | 12 |
| Total debts | \$ 14,615 | \$ (708) | \$ 13,907 |
| Shareholders' equity: | | | |
| Share capital and share premium | 267,824 | 9,797 | 277,621 |
| Capital reserve from translation differences of foreign operations | (2,807) | - | (2,807) |
| Conversion feature related to convertible debentures | 107 | - | 107 |
| Capital reserve from share-based payment transactions | 162 | 3,544 | 3,706 |
| Capital reserve from transaction with non-controlling interests | (2,872) | - | (2,872) |
| Capital reserve from transaction with controlling shareholder | 33 | - | 33 |
| Accumulated deficit | (258,925) | - | (258,925) |
| Total equity | 3,522 | 13,341 | 16,849 |
| Total capitalization | 18,137 | 12,633 | 30,770 |

SELLING SHAREHOLDERS

On November 12, 2024 we entered into subscription agreements with certain investors in connection with the 2024 Private Placement. On July 30, 2025, we entered into subscription agreements with certain investors in connection with the 2025 Private Placement. Additionally, on July 31, 2025, we entered into the Advisory Agreement with one of the selling shareholders in connection with the 2025 Private Placement. The 4,982,517 Common Shares being offered by the selling shareholders, consisting of (i) up to 1,202,000 Common Shares, (ii) up to 848,000 Common Shares issued upon the exercise of the Pre-Funded Warrants, (iii) up to 2,792,517 Common Shares issuable upon the exercise of the Common Warrants, and (iv) up to 140,000 Common Shares issuable upon the exercise of the Finder's Warrants. For additional information regarding the Private Placements and Additional Investments, see *"Our Company—Recent Financing Activities."* We are registering the Common Shares in order to permit the selling shareholders to offer the Common Shares for resale from time to time.

To our knowledge, except for (i) Mr. Oren Shuster, the Chief Executive Officer of the Company, and (ii) Mr. Shmulik Arbel, a director of the Company, within the past three years, none of the selling shareholders has had any material relationship with us or any of our affiliates.

Any selling shareholders that are affiliates of broker-dealers and any participating broker-dealers would be deemed to be "underwriters" within the meaning of the Securities Act, and any commissions or discounts given to any such selling shareholders or broker-dealer may be regarded as underwriting commissions or discounts under the Securities Act. To our knowledge, none of the selling shareholders listed below are broker-dealers or affiliates of broker-dealers.

The table below lists the selling shareholders and other information regarding the beneficial ownership of the Common Shares by each of the selling shareholders. The second column lists the number of Common Shares beneficially owned by each selling shareholder, based on its ownership of the Common Shares, as of the date set forth in the relevant footnote next to each selling shareholder's name. The fourth column assumes the sale of all of the Common Shares offered by the selling shareholders pursuant to this prospectus.

In accordance with the terms of the 2025 Private Placement, this prospectus generally covers the resale of at least a number of Common Shares, Common Shares underlying the Pre-Funded Warrants, Common Shares underlying the Common Warrants and Common Shares underlying the Finder's Warrants issued in the 2025 Private Placement. Because the number of Common Shares may be adjusted for reverse and forward share splits, share dividends, share combinations and other similar transactions, the number of Common Shares that will actually be issued may be more or less than the number of Common Shares being offered by this prospectus.

The term "selling shareholder" also includes any transferees, pledgees, donees, or other successors in interest to the selling shareholders named in the table below. Unless otherwise indicated, to our knowledge, each selling shareholder named in the table below has sole voting and investment power (subject to applicable community property laws) with respect to the Common Shares set forth opposite its name. We will file a supplement to this prospectus (or a post-effective amendment to the registration statement of which this prospectus forms a part, if necessary) to name successors to the selling shareholders who are able to use this prospectus to resell the securities registered hereby.

A selling shareholder may sell all, some or none of its shares in this offering. See *"Plan of Distribution."*

| Name of Selling Shareholder | Shares Beneficially Owned Prior to Offering ⁽¹⁾ | | Maximum Number of Shares to be Sold Pursuant to this Prospectus | Shares Owned Immediately After Sale of Maximum Number of Shares in this Offering | |
|--|--|---------------------------|---|--|---------------------------|
| | Number | Percentage ⁽²⁾ | Number | Number | Percentage ⁽²⁾ |
| Capitalink Ltd | 120,000 ⁽³⁾ | 2.29% | 120,000 | 0 | * |
| Danon Hedge Fund Limited Partnership | 50,000 ⁽⁴⁾ | * | 50,000 | 0 | * |
| Eden Discovery, LP CO Services | 72,585 ⁽⁵⁾ | 1.38 | 72,585 | 0 | * |
| Emil Sharvit Ltd | 100,000 ⁽⁶⁾ | 1.91% | 100,000 | 0 | * |
| Invest Pro Shukai Hon Ltd | 100,000 ⁽⁷⁾ | 1.91% | 100,000 | 0 | * |
| Kai Gabay | 6,470 ⁽⁸⁾ | 0.12 | 6,470 | 0 | * |
| L.I.A. Pure Capital Ltd | 1,100,000 ⁽⁹⁾ | 4.99% | 1,100,000 | 0 | * |
| Lior Yakoel | 100,000 ⁽¹⁰⁾ | 1.91% | 100,000 | 0 | * |
| M.R.M. Merhaviv Holdings and Management Ltd. | 300,000 ⁽¹¹⁾ | 4.99% | 300,000 | 0 | * |
| Nissim Daniel | 30,000 ⁽¹²⁾ | * | 30,000 | 0 | * |
| Oded Pelled | 13,003 ⁽¹³⁾ | * | 13,003 | 0 | * |
| Ohad Melnik | 50,000 ⁽¹⁴⁾ | * | 50,000 | 0 | * |
| Oren Shuster | 194,110 ⁽¹⁵⁾ | 3.70 | 194,110 | 0 | * |
| Pure Equity Ltd. | 140,000 ⁽¹⁶⁾ | 2.67% | 140,000 | 0 | * |
| Rafael Gabay | 194,088 ⁽¹⁷⁾ | 3.70 | 194,088 | 0 | * |
| Ran Molho | 128,950 ⁽¹⁸⁾ | 2.46 | 128,950 | 0 | * |
| Revital Justo Harry | 10,505 ⁽¹⁹⁾ | * | 10,505 | 0 | * |
| Rom Ella | 18,115 ⁽²⁰⁾ | * | 18,115 | 0 | * |
| Ronen Fatal | 50,000 ⁽²¹⁾ | * | 50,000 | 0 | * |
| Shmulik Arbel | 48,349 ⁽²²⁾ | * | 48,349 | 0 | * |
| Sol Gabay | 6,470 ⁽²³⁾ | * | 6,470 | 0 | * |
| Tom Gabay | 6,470 ⁽²⁴⁾ | * | 6,470 | 0 | * |
| Ventum Financial Corp. | 43,402 ⁽²⁵⁾ | * | 43,402 | 0 | * |
| Xylo Technologies Ltd | 250,000 ⁽²⁶⁾ | 4.76% | 250,000 | 0 | * |
| YAAD Consulting & Management Services (1995) Ltd | 50,000 ⁽²⁷⁾ | * | 50,000 | 0 | * |
| Yariv Gilat | 100,000 ⁽²⁸⁾ | 1.91% | 100,000 | 0 | * |
| Yorkville Advisors LLC | 1,700,000 ⁽²⁹⁾ | 4.99% | 1,700,000 | 0 | * |

* Less than 1%.

- (1) Beneficial ownership is determined in accordance with SEC rules and generally includes voting or investment power with respect to securities. Common Shares subject to options or warrants currently exercisable, or exercisable within 60 days of August 13, 2025, are counted as outstanding for computing the percentage of the selling shareholder holding such options or warrants but are not counted as outstanding for computing the percentage of any other selling shareholder.

- (2) The applicable percentage of beneficial ownership is based on 5,246,812 Common Shares issued and outstanding as of August 13, 2025.
- (3) Includes: (i) 60,000 Common Shares issued in the 2025 Private Placement; and (ii) 60,000 Common Shares issuable upon the exercise of 60,000 Common Warrants issued in the 2025 Private Placement. Lavi Krasney has the voting and dispositive power over the shares held by Capitalink Ltd. Capitalink Ltd's address is 20 Raoul Wallenberg St., Tel Aviv, Israel. Based on information provided to us by Capitalink Ltd on August 12, 2025.
- (4) Includes: (i) 25,000 Common Shares issued in the 2025 Private Placement and (ii) 25,000 Common Shares issuable upon the exercise of 25,000 Common Warrants issued in the 2025 Private Placement. Tzahi Danon has the voting and dispositive power over the shares held by Danon Hedge Fund Limited Partnership. Danon Hedge Fund Limited Partnership's address is 2 Bodenheimer St., Tel Aviv, Israel. Based on information provided to us by Danon Hedge Fund Limited Partnership on August 12, 2025.
- (5) Includes: 72,585 Common Shares issuable upon the exercise of 72,585 Common Warrants issued in the 2024 Private Placement. Assaf Nathan has the voting and dispositive power over the shares held by Eden Discovery, LP CO Services. Eden Discovery, LP CO Services' address is 7 Jabotinski St., Ramat Gan, Israel (Moshe Aviv Tower, 37th Floor). Based on information provided to us by Eden Discovery, LP CO Services on August 12, 2025.
- (6) Includes: (i) 50,000 Common Shares issued in the 2025 Private Placement and (ii) 50,000 Common Shares issuable upon the exercise of 50,000 Common Warrants issued in the 2025 Private Placement. Guy Bernstein has the voting and dispositive power over the shares held by Emil Sharvit Ltd. Emil Sharvit Ltd's address is 5 HaShalva St., Savyon, Israel. Based on information provided to us by Emil Sharvit Ltd on August 12, 2025.
- (7) Includes: (i) 50,000 Common Shares issued in the 2025 Private Placement and (ii) 50,000 Common Shares issuable upon the exercise of 50,000 Warrants issued in the 2025 Private Placement. Eli Zamir has the voting and dispositive power over the shares held by Invest Pro Shukai Hon Ltd. Invest Pro Shukai Hon Ltd's address is 2 Rothschild St., Tel Aviv, Israel. Based on information provided to us by Invest Pro Shukai Hon Ltd on August 12, 2025.
- (8) Includes: 6,470 Common Shares issuable upon the exercise of 6,470 Common Warrants issued in the 2024 Private Placement. Kai Gabay's address is 81 Haetrog St., Ganot, Israel. Based on information provided to us by Mr. Gabay on August 12, 2025.
- (9) Includes: (i) 550,000 Common Shares issued in the 2025 Private Placement and (ii) 550,000 Common Shares issuable upon the exercise of 550,000 Common Warrants issued in the 2025 Private Placement. The percentage in the table above gives effect to the 4.99% beneficial ownership limitation set forth under the terms of such Pre-Funded Warrants and Common Warrants. Kfir Zilberman has the voting and dispositive power over the shares held by L.I.A. Pure Capital Ltd. L.I.A. Pure Capital Ltd's address is 20 Raoul Wallenberg St., Tel Aviv, Israel. Based on information provided to us by L.I.A. Pure Capital Ltd on August 12, 2025.
- (10) Includes: (i) 50,000 Common Shares issued in the 2025 Private Placement and (ii) 50,000 Common Shares issuable upon the exercise of 50,000 Common Warrants issued in the 2025 Private Placement. Lior Yakoel's address is 32 Kehilat Warsaw St., Tel Aviv, Israel. Based on information provided to us by Mr. Yakoel on August 12, 2025.
- (11) Includes: (i) 150,000 Common Shares issued in the 2025 Private Placement and (ii) 150,000 Common Shares issuable upon the exercise of 150,000 Common Warrants issued in the 2025 Private Placement. The percentage in the table above gives effect to the 4.99% beneficial ownership limitation set forth under the terms of such Pre-Funded Warrants and Warrants. Menashe Mordechai has the voting and dispositive power over the shares held by M.R.M. Merhaviv Holdings and Management Ltd. M.R.M. Merhaviv Holdings and Management Ltd.'s address is 31 Sokolov St., Ramat Gan, Israel. Based on information provided to us by M.R.M. Merhaviv Holdings and Management Ltd. on August 12, 2025.

- (12) Includes: (i) 15,000 Common Shares in the 2025 Private Placement and (ii) 15,000 Common Shares issuable upon the exercise of 15,000 Common Warrants issued in the 2025 Private Placement. Nissim Daniel's address is 5 HaRav Levin St., Ramat Gan, Israel. Based on information provided to us by Mr. Daniel on August 12, 2025.
- (13) Includes: 13,003 Common Shares issuable upon the exercise of 13,003 Common Warrants issued in the 2024 Private Placement. Oded Pelled's address is 4080 Ensenada Ave., Miami, FL 33133, USA. Based on information provided to us by Mr. Pelled on August 12, 2025.
- (14) Includes: (i) 50,000 Common Shares issued in the 2025 Private Placement and (ii) 50,000 Common Shares issuable upon the exercise of 50,000 Common Warrants issued in the 2025 Private Placement. Ohad Melnik's address is 3 Shaul Avigur St., Tel Aviv, Israel. Based on information provided to us by Mr. Melnik on August 12, 2025.
- (15) Includes: 194,110 Common Shares issuable upon the exercise of 194,110 Common Warrants issued in the 2024 Private Placement. Oren Shuster's address is 22 Hanahal St., Raanana, Israel. Based on information provided to us by Mr. Shuster on August 12, 2025.
- (16) Includes: 140,000 Common Shares issuable upon the exercise of 140,000 Finder's Warrants issued in the 2025 Private Placement. Kfir Zilberman has the voting and dispositive power over the shares held by Pure Equity Ltd. Pure Equity Ltd.'s address is 20 Raul Wallenberg Street, Tel Aviv, Israel. Based on information provided to us by Pure Equity Ltd. on August 12, 2025.
- (17) Includes: 194,088 Common Shares issuable upon the exercise of 194,088 Common Warrants issued in the 2024 Private Placement. Rafael Gabay's address is 8 Shmerling St., Tel Aviv, Israel. Based on information provided to us by Mr. Gabay on August 12, 2025.
- (18) Includes: 128,950 Common Shares issuable upon the exercise of 128,950 Common Warrants issued in the 2024 Private Placement. Ran Molho's address is Kibbutz Harduf, Israel. Based on information provided to us by Mr. Molho on August 12, 2025.
- (19) Includes: 10,505 Common Shares issuable upon the exercise of 10,505 Common Warrants issued in the 2024 Private Placement. Revital Justo Harry's address is Ida Kerkovius Str. 9, 79100 Freiburg, Germany. Based on information provided to us by Ms. Harry on August 12, 2025.
- (20) Includes: 18,115 Common Shares issuable upon the exercise of 18,115 Common Warrants issued in the 2024 Private Placement. Rom Ella's address is 15b Haim Levanon St., Tel Aviv, Israel. Based on information provided to us by Mr. Ella on August 12, 2025.
- (21) Includes: (i) 25,000 Common Shares issued in the 2025 Private Placement and (ii) 25,000 Common Shares issuable upon the exercise of 25,000 Common Warrants issued in the 2025 Private Placement. Ronen Fatal's address is 112 Rokach St., Ramat Gan, Israel. Based on information provided to us by Mr. Fatal on August 12, 2025.
- (22) Includes: 48,349 Common Shares issuable upon the exercise of 48,349 Common Warrants issued in the 2024 Private Placement. Shmulik Arbel's address is 22 Chefer St., Shoham, Israel. Based on information provided to us by Mr. Arbel on August 12, 2025.
- (23) Includes: 6,470 Common Shares issuable upon the exercise of 6,470 Common Warrants issued in the 2024 Private Placement. Sol Gabay's address is 81 Haetrog St., Ganot, Israel. Based on information provided to us by Mr. Gabay on August 12, 2025.
- (24) Includes: 6,470 Common Shares issuable upon the exercise of 6,470 Common Warrants issued in the 2024 Private Placement. Tom Gabay's address is 81 Haetrog St., Ganot, Israel. Based on information provided to us by Mr. Gabay on August 12, 2025.

- (25) Includes: 43,402 Common Shares issuable upon the exercise of 43,402 Common Warrants issued in the 2024 Private Placement. Jesse Kaplan has the voting and dispositive power over the shares held by Ventum Financial Corp. Ventum Financial Corp's address is 3625 Dufferin St., Suite 409, Toronto, ON M3K 1N4, Canada. Based on information provided to us by Ventum Financial Corp on August 12, 2025.
- (26) Includes: (i) 125,000 Common Shares issued in the 2025 Private Placement and (ii) 125,000 Common Shares issuable upon the exercise of 125,000 Common Warrants issued in the 2025 Private Placement. Liron Carmel has the voting and dispositive power over the shares held by Xylo Technologies Ltd. Xylo Technologies Ltd's address is 10 HaNechoshet St., Tel Aviv, Israel. Based on information provided to us by Xylo Technologies Ltd on August 12, 2025.
- (27) Includes: (i) 25,000 Common Shares issued in the 2025 Private Placement and (ii) 25,000 Common Shares issuable upon the exercise of 25,000 Common Warrants issued in the 2025 Private Placement. Itzik Shrem has the voting and dispositive power over the shares held by YAAD Consulting & Management Services (1995) Ltd. YAAD Consulting & Management Services (1995) Ltd's address is 20 Raoul Wallenberg St., Tel Aviv, Israel. Based on information provided to us by YAAD Consulting & Management Services (1995) Ltd on August 12, 2025.
- (28) Includes: (i) 50,000 Common Shares issued in the 2025 Private Placement and (ii) 50,000 Common Shares issuable upon the exercise of 50,000 Common Warrants issued in the 2025 Private Placement. Yariv Gilat's address is 185 HaYarkon St., Tel Aviv, Israel. Based on information provided to us by Mr. Gilat on August 12, 2025.
- (29) Includes: (i) 202,000 Common Shares issued in the 2025 Private Placement; (ii) 648,000 Common Shares issuable upon the exercise of Pre-Funded Warrants issued in the 2025 Private Placement, and (iii) 850,000 Common Shares issuable upon the exercise of 850,000 Common Warrants issued in the 2025 Private Placement. The percentage in the table above gives effect to the 4.99% beneficial ownership limitation set forth under the terms of such Pre-Funded Warrants and Warrants. Matt Beckman has the voting and dispositive power over the shares held by Yorkville Advisors LLC. Yorkville Advisors LLC's address is 1012 Springfield Ave., Mountainside, NJ 07092, USA. Based on information provided to us by Yorkville Advisors LLC on August 12, 2025.

PLAN OF DISTRIBUTION

The selling shareholders of the securities and any of their pledgees, assignees and successors-in-interest may, from time to time, sell any or all of the securities covered hereby on the principal trading market or any other stock exchange, market or trading facility on which the securities are traded or in private transactions. These sales may be at fixed or negotiated prices. A selling shareholder may use any one or more of the following methods when selling securities:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the securities as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- settlement of short sales;
- in transactions through broker-dealers that agree with the selling shareholder to sell a specified number of such securities at a stipulated price per security;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- a combination of any such methods of sale; or
- any other method permitted pursuant to applicable law.

The selling shareholders may also sell securities under Rule 144 or any other exemption from registration under the Securities Act, if available, rather than under this prospectus.

Broker-dealers engaged by the selling shareholders may arrange for other brokers-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the selling shareholders (or, if any broker-dealer acts as agent for the purchaser of securities, from the purchaser) in amounts to be negotiated, but, except as set forth in a supplement to this prospectus, in the case of an agency transaction not in excess of a customary brokerage commission in compliance with Rule 2440 of the Financial Industry Regulatory Authority, or FINRA, and in the case of a principal transaction a markup or markdown in compliance with FINRA IM-2440.

In connection with the sale of the securities or interests therein, the selling shareholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the securities in the course of hedging the positions they assume. The selling shareholders may also sell securities short and deliver these securities to close out his short positions, or loan or pledge the securities to broker-dealers that in turn may sell these securities. The selling shareholders may also enter into option or other transactions with broker-dealers or other financial institutions or create one or more derivative securities which require the delivery to such broker-dealer or other financial institution of securities offered by this prospectus, which securities such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The selling shareholders and any broker-dealers or agents that are involved in selling the securities may be deemed to be “underwriters” within the meaning of the Securities Act in connection with such sales. In such event, any commissions received by such broker-dealers or agents and any profit on the resale of the securities purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. Each selling shareholder has informed the Company that it does not have any written or oral agreement or understanding, directly or indirectly, with any person to distribute the securities.

We are required to pay certain fees and expenses incurred by us incident to the registration of the securities. We have agreed to indemnify the selling shareholders against certain losses, claims, damages and liabilities, including liabilities under the Securities Act. Any fees related to conversions of the Common Shares to ADSs will be assumed and payable by the selling shareholders named in this prospectus.

The resale securities will be sold only through registered or licensed brokers or dealers if required under applicable state securities laws. In addition, in certain states, the resale securities covered hereby may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

Under applicable rules and regulations under the Securities Exchange Act of 1934, as amended, or the Exchange Act, any person engaged in the distribution of the resale securities may not simultaneously engage in market making activities with respect to the Common Shares for the applicable restricted period, as defined in Regulation M, prior to the commencement of the distribution. In addition, the selling shareholders will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including Regulation M, which may limit the timing of purchases and sales of the Common Shares by the selling shareholders or any other person. We will make copies of this prospectus available to the selling shareholders and have informed them of the need to deliver a copy of this prospectus to each purchaser at or prior to the time of the sale (including by compliance with Rule 172 under the Securities Act).

Offer Restrictions Outside the United States

Other than in the United States, no action has been taken by us or the selling shareholders that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

LEGAL MATTERS

Certain legal matters concerning this offering will be passed upon for us by Sullivan & Worcester LLP, New York, New York. Certain legal matters with respect to the legality of the issuance of the securities offered by this prospectus and other legal matters concerning this offering relating to Canadian law will be passed upon for us by Boughton Law Corporation, Vancouver, British Columbia, Canada.

EXPERTS

The financial statements incorporated in this prospectus by reference to the Annual Report on Form 20-F for the year ended December 31, 2024 have been so incorporated in reliance on the report of Fahn Kanne & Co. Grant Thornton Israel, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The consolidated financial statements of IM Cannabis Corp. incorporated by reference in IM Cannabis Corp.'s Annual Report (Form 20-F) for the year ended December 31, 2023, have been audited by Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, independent registered public accounting firm, as set forth in their report thereon (which contains an explanatory paragraph describing conditions that raise substantial doubt about the Company's ability to continue as a going concern as described in Note 1 to the consolidated financial statements), incorporated by reference therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

EXPENSES

The following are the estimated expenses of this offering payable by us related to the filing of the registration statement of which this prospectus forms a part. With the exception of the SEC registration fee, all amounts are estimates and may change:

| | | |
|------------------------------|------|----------------|
| SEC registration fee | US\$ | 2,120.65 |
| Printer fees and expenses | US\$ | 275 |
| Legal fees and expenses | US\$ | 70,000 |
| Accounting fees and expenses | US\$ | 33,000 |
| Total | US\$ | <u>105,396</u> |

ENFORCEABILITY OF CIVIL LIABILITIES

We are incorporated under the laws of the Province of British Columbia, Canada. Service of process upon us and upon our directors and officers named in the registration statement of which this prospectus forms a part, a substantial majority of whom reside outside of the United States, may be difficult to obtain within the United States. Furthermore, because substantially all of our assets and a substantial of our directors and officers are located outside of the United States, any judgment obtained in the United States against us or any of our directors and officers may not be collectible within the United States.

We have been informed by our legal counsel in Canada, Boughton Law Corporation, that it may be difficult to assert U.S. securities law claims in original actions instituted in Canada. Canadian courts may refuse to hear a claim based on a violation of U.S. securities laws because Canada is not the most appropriate forum to bring such a claim. In addition, even if a Canadian court agrees to hear a claim, it may determine that Canadian law and not U.S. law is applicable to the claim. If U.S. law is found to be applicable, the content of applicable U.S. law must be proved as a fact which can be a time-consuming and costly process. Certain matters of procedure will also be governed by Canadian law.

Subject to specified time limitations and legal procedures, Canadian courts may enforce a U.S. judgment in a civil matter which, subject to certain exceptions, is non-appellable, including judgments based upon the civil liability provisions of the Securities Act and the Exchange Act and including a monetary or compensatory judgment in a non-civil matter, provided that among other things:

- the judgment is obtained after due process before a court of competent jurisdiction, according to the laws of the state in which the judgment is given and the rules of private international law currently prevailing in Canada;
- the judgment is final and is not subject to any right of appeal;
- the prevailing law of the foreign state in which the judgment was rendered allows for the enforcement of judgments of Canadian courts;
- adequate service of process has been effected and the defendant has had a reasonable opportunity to be heard and to present his or her evidence;
- the liabilities under the judgment are enforceable according to the laws of British Columbia, Canada and the judgment and the enforcement of the civil liabilities set forth in the judgment is not contrary to the law or public policy in British Columbia, Canada nor likely to impair the security or sovereignty of British Columbia, Canada;
- the judgment was not obtained by fraud and does not conflict with any other valid judgments in the same matter between the same parties;
- an action between the same parties in the same matter is not pending in any British Columbia court at the time the lawsuit is instituted in the foreign court; and
- the judgment is enforceable according to the laws of British Columbia, Canada and according to the law of the foreign state in which the relief was granted.

If a foreign judgment is enforced by a British Columbia court, it generally will be payable in Canadian currency, which can then be converted into non-Canadian currency and transferred out of Canada. The usual practice in an action before a British Columbia court to recover an amount in a non-Canadian currency is for the British Columbia court to issue a judgment for the equivalent amount in Canadian currency at the rate of exchange in force on the date of the judgment, but the judgment debtor may make payment in foreign currency. Pending collection, the amount of the judgment of a British Columbia court stated in Canadian currency ordinarily will be linked to the Canadian consumer price index plus interest at the annual statutory rate set by British Columbia regulations prevailing at the time. Judgment creditors must bear the risk of unfavorable exchange rates.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We are a British Columbia company and are a “foreign private issuer” as defined in Rule 405 under the Securities Act and Rule 3b-4 under the Exchange Act. As a foreign private issuer, we are exempt from the rules under the Exchange Act related to the furnishing and content of proxy statements, and our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act.

In addition, we are not required under the Exchange Act to file annual, quarterly and current reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. However, we file with the SEC, within 120 days after the end of each fiscal year, or such applicable time as required by the SEC, an annual report on Form 20-F containing financial statements audited by an independent registered public accounting firm, and submit to the SEC, on a Report of Foreign Private Issuer on Form 6-K, unaudited interim financial information.

We maintain a corporate website at <https://www.imcannabis.com>. We will post on our website any materials required to be so posted on such website under applicable corporate or securities laws and regulations, including any notices of general meetings of our shareholders.

The SEC also maintains a web site that contains information we file electronically with the SEC, which you can access over the Internet at <http://www.sec.gov>. Information contained on, or that can be accessed through, our website and other websites listed in this prospectus do not constitute a part of this prospectus. We have included these website addresses in this prospectus solely as inactive textual references.

This prospectus is part of a registration statement on Form F-3 filed by us with the SEC under the Securities Act. As permitted by the rules and regulations of the SEC, this prospectus does not contain all the information set forth in the registration statement and the exhibits thereto filed with the SEC. For further information with respect to us and the securities offered hereby, you should refer to the complete registration statement on Form F-3, which may be obtained from the locations described above. Statements contained in this prospectus or in any prospectus supplement about the contents of any contract or other document are not necessarily complete. If we have filed any contract or other document as an exhibit to the registration statement or any other document incorporated by reference in the registration statement, you should read the exhibit for a more complete understanding of the document or matter involved. Each statement regarding a contract or other document is qualified in its entirety by reference to the actual document.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to “incorporate by reference” the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus and information we file later with the SEC will automatically update and supersede this information. The information incorporated by reference is considered to be part of this prospectus and information we file later with the SEC will automatically update and supersede this information. The documents we are incorporating by reference as of their respective dates of filing are:

- Our Annual Report on [Form 20-F](#) for the fiscal year ended December 31, 2024, filed with the SEC on March 31, 2025;
- Our Reports of Foreign Private Issuer on Form 6-K filed on [April 3, 2025](#), [April 11, 2025](#), [May 5, 2025](#), [May 6, 2025](#), [May 7, 2025](#), [May 15, 2025](#), [May 27, 2025](#), [May 28, 2025](#); [July 1, 2025](#), [July 9, 2025](#) (except for paragraphs six and eight in the press release attached as of Exhibit 99.1), [July 11, 2025](#), [July 31, 2025](#), [August 4, 2025](#) and [August 12, 2025](#) (except for the section titled “Management Commentary” in the press release attached as Exhibit 99.1, Exhibit 99.4 and Exhibit 99.5); and
- The description of our securities contained in our [Form 40-FR12B](#) (File No. 001-40065), filed with the SEC on February 12, 2021, as amended by Exhibit 2.1 to our Annual Report on Form 20-F for the fiscal year ended December 31, 2024, filed with the SEC on March 31, 2025.

All subsequent annual reports filed by us pursuant to the Exchange Act on Form 20-F prior to the termination of the offering shall be deemed to be incorporated by reference to this prospectus and to be a part hereof from the date of filing of such documents. We may also incorporate part or all of any Report of Foreign Private Issuer on Form 6-K subsequently submitted by us to the SEC prior to the termination of the offering by identifying in such Reports of Foreign Private Issuer on Form 6-K that they, or certain parts of their contents, are being incorporated by reference herein, and any Reports of Foreign Private Issuer on Form 6-K so identified shall be deemed to be incorporated by reference in this prospectus and to be a part hereof from the date of submission of such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is incorporated or deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus. The information we incorporate by reference is an important part of this prospectus, and later information that we file with the SEC will automatically update and supersede the information contained in this prospectus.

We will provide you without charge, upon your written or oral request, a copy of any of the documents incorporated by reference in this prospectus, other than exhibits to such documents which are not specifically incorporated by reference into such documents. Please direct your written or telephone requests to us at: Beit Hakshatot, Kibutz Gili-Yam, Israel, 4690500 , Tel: +972-54-2815033; Attention: Adv Michal Lebovitz Nissimov.



IM CANNABIS CORP.

Up to 4,982,517 Common Shares

PROSPECTUS

, 2025

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 8. Indemnification of Directors and Officers

The British Columbia Business Corporation Act, or the BCBCA, provides that a company may:

- (a) indemnify an eligible party (as defined below) against all eligible penalties (as defined below) to which the eligible party is or may be liable; and
- (b) after the final disposition of an eligible proceeding (as defined below), pay the expenses (as defined below) actually and reasonably incurred by an eligible party in respect of that proceeding.

However, after the final disposition of an eligible proceeding, a company must pay expenses actually and reasonably incurred by an eligible party in respect of that proceeding if the eligible party (i) has not been reimbursed for those expenses, and (ii) is wholly successful, on the merits or otherwise, or is substantially successful on the merits, in the outcome of the proceeding. The BCBCA also provides that a company may pay the expenses as they are incurred in advance of the final disposition of an eligible proceeding, if the company first receives from the eligible party a written undertaking that, if it is ultimately determined that the payment of expenses is prohibited under the BCBCA, the eligible party will repay the amounts advanced.

For the purposes of the BCBCA, an "eligible party", in relation to a company, means an individual who:

- (a) is or was a director or officer of the company;
- (b) is or was a director or officer of another corporation (i) at a time when the corporation is or was an affiliate of the company, or (ii) at the request of the company; or
- (c) at the request of the company, is or was, or holds or held a position equivalent to that of, a director or officer of a partnership, trust, joint venture or other unincorporated entity,

and includes, with some exceptions, the heirs and personal or other legal representatives of that individual.

An "associated corporation" means a corporation or entity referred to in paragraph (b) or (c) of the definition of "eligible party" above.

An "eligible penalty" under the BCBCA means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding.

An "eligible proceeding" under the BCBCA is a proceeding in which an eligible party or any of the heirs and personal or other legal representatives of the eligible party, by reason of the eligible party being or having been a director or officer of, or holding or having held a position equivalent to that of a director or officer of, the company or an associated corporation (i) is or may be joined as a party, or (ii) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding.

"expenses" include costs, charges and expenses, including legal and other fees, but does not include judgments, penalties, fines or amounts paid in settlement of a proceeding.

A "proceeding" includes any legal proceeding or investigative action, whether current, threatened, pending or completed.

Notwithstanding the foregoing, the BCBCA prohibits indemnifying an eligible party or paying the expenses of an eligible party if any of the following conditions apply:

- (a) if the indemnity or payment is made under an earlier agreement to indemnify or pay expenses and, at the time that such agreement was made, the company was prohibited from giving the indemnity or paying the expenses by its memorandum or articles;
- (b) if the indemnity or payment is made otherwise than under an earlier agreement to indemnify or pay expenses and, at the time that the indemnity or payment is made, the company is prohibited from giving the indemnity or paying the expenses by its memorandum or articles;
- (c) if, in relation to the subject matter of the eligible proceeding, the eligible party did not act honestly and in good faith with a view to the best interests of the company or the associated corporation, as the case may be; or
- (d) in the case of an eligible proceeding other than a civil proceeding, if the eligible party did not have reasonable grounds for believing that the eligible party's conduct in respect of which the proceeding was brought was lawful.

Additionally, if an eligible proceeding is brought against an eligible party by or on behalf of the company or by or on behalf of an associated corporation, the company must not (i) indemnify the eligible party in respect of the proceeding; or (ii) pay the expenses of the eligible party in respect of the proceeding.

Whether or not payment of expenses or indemnification has been sought, authorized or declined under the BCBCA, on the application of a company or an eligible party, the Supreme Court of British Columbia may do one or more of the following:

- (a) order a company to indemnify an eligible party against any liability incurred by the eligible party in respect of an eligible proceeding;
- (b) order a company to pay some or all of the expenses incurred by an eligible party in respect of an eligible proceeding;
- (c) order the enforcement of, or any payment under, an agreement of indemnification entered into by a company;
- (d) order a company to pay some or all of the expenses actually and reasonably incurred by any person in obtaining an order; or
- (e) make any other order the court considers appropriate.

The BCBCA provides that a company may purchase and maintain insurance for the benefit of an eligible party or the heirs and personal or other legal representatives of the eligible party against any liability that may be incurred by reason of the eligible party being or having been a director or officer of, or holding or having held a position equivalent to that of a director or officer of, the company or an associated corporation.

The Company's articles define "eligible penalty" to mean a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding. An "eligible proceeding" means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director, former director or alternate director of the Company (an "eligible party") or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director or alternate director of the Company t (a) is or may be joined as a party; or (b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding.

The Company's articles, subject to the BCBCA, provide that the Company must indemnify a director, former director or alternate director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director and alternate director is deemed to have contracted with the Company on the aforementioned terms.

The Company's articles further provide that subject to any restrictions in the BCBCA, the Company may indemnify any person and that the failure of a director, alternate director or officer of the Company to comply with the BCBCA or the Company's articles does not invalidate any indemnity to which he or she is entitled under the Company's articles.

The Company is authorized by its articles to purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who: (i) is or was a director, alternate director, officer, employee or agent of the Company; (ii) is or was a director, alternate director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company; (iii) at the request of the Company, is or was a director, alternate director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity; (iv) at the request of the Company, holds or held a position equivalent to that of a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity; against any liability incurred by him or her as such director, alternate director, officer, employee or agent or person who holds or held such equivalent position.

The Company maintains directors' and officers' liability insurance coverage through primary and Side A policies covering the Company and its subsidiaries, with annual aggregate policy limits of US\$5,000,000, subject to a corporate self-retention of US\$5,000,000. This insurance provides indemnity to the Company and to its directors and officers as required or permitted by law for liability claim damages, including legal costs, incurred by officers, directors and alternate directors in their capacity as such. This policy, subject to its terms and conditions, may also provide coverage directly to individual directors and officers if they are not indemnified by the Company. The insurance coverage for directors and officers is subject to various terms, conditions, and exclusions.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the Company pursuant to the foregoing provisions, the Company has been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act, and is therefore unenforceable.

Item 9. Exhibits

| Exhibit Number | Exhibit Description |
|------------------------------|---|
| <u>3.1</u> | <u>Articles of IM Cannabis Corp. (incorporated herein by reference to Exhibit 99.1 to our Report of Foreign Private Issuer on Form 6-K filed with the SEC on October 25, 2022).</u> |
| <u>4.1*</u> | <u>Form of Common Warrant.</u> |
| <u>4.2</u> | <u>Form of Pre-Funded Warrant (incorporated herein by reference to Exhibit 99.4 to our Report of Foreign Private Issuer on Form 6-K (File No. 001-40065) filed with the SEC on July 31, 2025).</u> |
| <u>4.3</u> | <u>Form of Finder's Warrant (incorporated herein by reference to Exhibit 99.6 to our Report of Foreign Private Issuer on Form 6-K (File No. 001-40065) filed with the SEC on July 31, 2025).</u> |
| <u>4.4*</u> | <u>Form of November 2024 Common Warrant.</u> |
| <u>4.5*</u> | <u>Form of Amendment to Common Warrant.</u> |
| <u>5.1*</u> | <u>Opinion of Boughton Law Corporation, Canadian counsel to IM Cannabis Corp.</u> |
| <u>10.1</u> | <u>Form of Subscription Agreement (Non-US Investors) (incorporated herein by reference to Exhibit 99.1 to our Report of Foreign Private Issuer on Form 6-K (File No. 001-40065) filed with the SEC on July 31, 2025).</u> |
| <u>10.2</u> | <u>Form of Subscription Agreement (US Investors) (incorporated herein by reference to Exhibit 99.2 to our Report of Foreign Private Issuer on Form 6-K (File No. 001-40065) filed with the SEC on July 31, 2025).</u> |
| <u>10.3</u> | <u>Advisory Agreement, dated July 31, 2025, by and between the Company and Pure Equity (incorporated herein by reference to Exhibit 99.5 to our Report of Foreign Private Issuer on Form 6-K (File No. 001-40065) filed with the SEC on July 31, 2025).</u> |
| <u>23.1*</u> | <u>Consent of Fahn Kanne & Co. Grant Thornton Israel, an independent registered public accounting firm</u> |
| <u>23.2*</u> | <u>Consent of Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, an independent registered public accounting firm</u> |
| <u>23.3*</u> | <u>Consent of Boughton Law Corporation (included in Exhibit 5.1).</u> |
| <u>24.1</u> | <u>Power of Attorney (included on signature page of the Registration Statement).</u> |
| <u>107*</u> | <u>Calculation of Filing Fee Tables.</u> |

* Filed herewith.

Item 10. Undertakings

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, *however*, that paragraphs (a)(1)(i), (a)(1)(ii) and a(1)(iii) do not apply if the registration statement is on Form S-3 or Form F-3 and the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the SEC by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) To file a post-effective amendment to the registration statement to include any financial statements required by Item 8.A. of Form 20-F at the start of any delayed offering or throughout a continuous offering. Financial statements and information otherwise required by Section 10(a)(3) of the Act need not be furnished, *provided*, that the registrant includes in the prospectus, by means of a post-effective amendment, financial statements required pursuant to this paragraph (a)(4) and other information necessary to ensure that all other information in the prospectus is at least as current as the date of those financial statements. Notwithstanding the foregoing, with respect to registration statements on Form F-3, a post-effective amendment need not be filed to include financial statements and information required by Section 10(a)(3) of the Act or Rule 3-19 of this chapter if such financial statements and information are contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the Form F-3.

(5) That, for the purpose of determining liability under the Securities Act to any purchaser:

(i) If the Registrant is relying on Rule 430B:

A. Each prospectus filed by the Registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

- B. Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. *Provided, however,* that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(6) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

- (i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;
- (ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;
- (iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and
- (iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933, as amended, and will be governed by the final adjudication of such issue

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Hertzliya, Kibutz Glil-Yam, State of Israel on August 13, 2025.

IM CANNABIS CORP.

By: /s/ Oren Shuster
Oren Shuster
Chief Executive Officer and Chairman of the Board

POWER OF ATTORNEY

The undersigned officers and directors of IM Cannabis Corp. hereby constitute and appoint each of Oren Shuster and Uri Birenberg with full power to any of them, and to each of them singly, to sign for us and in our names in the capacities indicated below the registration statement on Form F-3 filed herewith, and any and all pre-effective and post-effective amendments to said registration statement, and any registration statement filed pursuant to Rule 462(b) under the Securities Act, as amended, in connection with the said registration under the Securities Act, as amended, and to file or cause to be filed the same, with all exhibits thereto and other documents in connection therewith, with the SEC, granting unto said attorneys, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as each of them might or could do in person, and hereby ratifying and confirming all that said attorneys, and each of them, shall do or cause to be done by virtue of this Power of Attorney.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by each of the following persons in the capacities and on the dates indicated:

| Signature | Title | Date |
|---|---|-----------------|
| <u>/s/ Oren Shuster</u> Oren Shuster | Chief Executive Officer, Director, Chairman of the Board of Directors (Principal Executive Officer) | August 13, 2025 |
| <u>/s/ Uri Birenberg</u> Uri Birenberg | Chief Financial Officer (Principal Financial and Accounting Officer) | August 13, 2025 |
| <u>/s/ Moti Marcus</u> Moti Marcus | Director | August 13, 2025 |
| <u>/s/ Einat Zakariya</u> Einat Zakariya | Director | August 13, 2025 |
| <u>/s/ Brian Schinderle</u> Brian Schinderle | Director | August 13, 2025 |
| <u>/s/ Shmulik Arbel</u> Shmulik Arbel | Director | August 13, 2025 |
| <u>/s/ Oz Adler</u> Oz Adler | Director | August 13, 2025 |

SIGNATURE OF AUTHORIZED REPRESENTATIVE IN THE UNITED STATES

Pursuant to the Securities Act of 1933, as amended, the undersigned, Puglisi & Associates, the duly authorized representative in the United States of IM Cannabis Corp, has signed this registration statement on August 13, 2025.

Puglisi & Associates

By: /s/ Gregory F. Lavelle
Gregory F. Lavelle
Managing Director

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UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY AND ANY SECURITY ISSUED ON EXERCISE HEREOF MUST NOT TRADE THE SECURITY AND ANY SECURITY ISSUED ON EXERCISE HEREOF BEFORE DECEMBER 1, 2025.

THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES DELIVERABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR U.S. STATE SECURITIES LAWS. BY PURCHASING OR OTHERWISE HOLDING SUCH SECURITIES AND THE SECURITIES DELIVERABLE UPON EXERCISE HEREOF, THE HOLDER AGREES FOR THE BENEFIT OF IM CANNABIS CORP. (THE “COMPANY”) THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE COMPANY; OR (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS; OR (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT PROVIDED BY (I) RULE 144 OR (II) RULE 144A THEREUNDER, IF AVAILABLE, AND IN EACH CASE IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS; OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS; OR (E) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT, PROVIDED THAT, IN THE CASE OF TRANSFERS PURSUANT TO (C) OR (D) ABOVE, THE HOLDER HAS, PRIOR TO SUCH TRANSFER, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT. THIS WARRANT MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF A U.S. PERSON OR PERSON IN THE UNITED STATES UNLESS THIS WARRANT AND SHARES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE SECURITIES LEGISLATION OF ANY SUCH STATE OR EXEMPTIONS FROM SUCH REGISTRATION REQUIREMENTS ARE AVAILABLE. “UNITED STATES” AND “U.S. PERSON” ARE AS DEFINED BY REGULATION S UNDER THE U.S. SECURITIES ACT.

THE WARRANTS EVIDENCED HEREBY ARE EXERCISABLE AT OR BEFORE 4:00 P.M. (TORONTO TIME) ON JULY 30, 2030, AFTER WHICH TIME THE WARRANTS EVIDENCED HEREBY SHALL BE DEEMED TO BE VOID AND OF NO FURTHER FORCE OR EFFECT.

COMMON SHARE PURCHASE WARRANT

IM CANNABIS CORP.

Number of Warrant Shares represented by this certificate: [*] Issue Date: July 30, 2025
Certificate number: **W-2025-07**-[*]

THIS COMMON SHARE PURCHASE WARRANT (the “Warrant”) certifies that, for value received, **YA II PN, Ltd.**, a Cayman Islands company, or its assigns or its assigns (the “Holder”) is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the date set forth herein (the “Initial Exercise Date”) and on or prior to 5:00 p.m. (Toronto time) on July 30, 2030 (the “Termination Date”) but not thereafter, to subscribe for and purchase from IM Cannabis Corp., a company existing under the laws of the Province of British Columbia (the “Company”), up to [*] common shares in the capital of the Company (“Common Shares”) (as subject to adjustment hereunder, the “Warrant Shares”). The purchase price of one Warrant Share under this Warrant shall be equal to the Exercise Price, as defined in Section 2(b).

Section 1. Definitions. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in that certain subscription agreement (the “Subscription Agreement”), dated July 30, 2025, among the Company and Holder.

“Trading Day” means a day on which the principal Trading Market is open for trading.

“Trading Market” means any of the following markets or exchanges on which the Common Shares are listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, the New York Stock Exchange or the Canadian Stock Exchange (or any successors to any of the foregoing).

Section 2. Exercise.

a) Exercise of Warrant. Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times on or after the Initial Exercise Date and on or before the Termination Date by delivery to the Company of a duly executed PDF copy submitted by e-mail (or e-mail attachment) of the Notice of Exercise in the form annexed hereto as Exhibit A (the “Notice of Exercise”). Within the earlier of (i) one (1) Trading Day and (ii) the number of Trading Days comprising the Standard Settlement Period (as defined in Section 2(d)(i) herein) following the date of exercise as aforesaid, the Holder shall deliver the aggregate Exercise Price for the Warrant Shares specified in the applicable Notice of Exercise by wire transfer or cashier’s check drawn on a United States bank. No ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise be required. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation as soon as reasonably practicable, but in no event later than three (3) Trading Days, following the date on which the final Notice of Exercise is delivered to the Company. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Company shall deliver any objection to any Notice of Exercise within one (1) Trading Day of receipt of such notice. **The Holder and any assignee, by acceptance of this Warrant, acknowledge and agree that, by reason of the provisions of this paragraph, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.**

This Warrant and the Warrant Shares have not been registered under the United States *Securities Act of 1933*, as amended (the “Securities Act”) or under state securities laws of any state in the United States. Warrants originally issued in the United States or to, or for the account or benefit of, a U.S. Person or a person in the United States are, and, absent registration under the Securities Act, any Common Shares issued upon exercise of such Warrants will be, “restricted securities” within the meaning of Rule 144(a)(3) of the Securities Act. Accordingly, absent registration under the Securities Act, this Warrant may not be exercised in the United States, by, or on behalf of a U.S. Person or a person in the United States unless an exemption is available from the registration requirements of the Securities Act and applicable state securities laws. “United States” and “U.S. Person” have the meanings given to them in Regulation S under the Securities Act.

b) Exercise Price. The exercise price per Warrant Share under this Warrant shall be C\$3.43, subject to adjustment hereunder (the “Exercise Price”).

c) [Reserved].

d) Mechanics of Exercise.

i. Delivery of Warrant Shares Upon Exercise. The Company shall cause the Warrant Shares purchased hereunder to be transmitted by the transfer agent to the Holder by crediting the account of the Holder's or its designee's balance account with The Depository Trust Company through its Deposit or Withdrawal at Custodian system ("DWAC") if the Company is then a participant in such system and either (A) there is an effective registration statement permitting the issuance of the Warrant Shares to or resale of the Warrant Shares by the Holder or (B) the Warrant Shares are eligible for resale by the Holder without volume or manner-of-sale limitations pursuant to Rule 144, and otherwise by physical delivery of a certificate or a direct registration system ("DRS") statement, registered in the Company's share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the address specified by the Holder in the Notice of Exercise by the date that is the earliest of (i) two (2) Trading Days after the delivery to the Company of the Notice of Exercise, (ii) one (1) Trading Day after delivery of the aggregate Exercise Price to the Company and (iii) the number of Trading Days comprising the Standard Settlement Period after the delivery to the Company of the Notice of Exercise (such date, the "Warrant Share Delivery Date"). Upon delivery of the Notice of Exercise, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the Warrant Shares, provided that payment of the aggregate Exercise Price is received by the Warrant Share Delivery Date. The Company agrees to maintain a transfer agent that is a participant in the FAST program so long as this Warrant remains outstanding and exercisable. As used herein, "Standard Settlement Period" means the standard settlement period, expressed in a number of Trading Days, on the Company's primary Trading Market with respect to the Common Shares as in effect on the date of delivery of the Notice of Exercise.

ii. If the Holder is located outside the United States and is not acting for the account or benefit of a U.S. person (a "Non-U.S. Holder"), and provided that (i) the Company qualifies as a "foreign issuer" (as defined in Rule 902 of Regulation S under the U.S. Securities Act), and (ii) the Holder has delivered a Foreign Purchaser's Certificate, the Company shall direct its Canadian transfer agent, Computershare Investor Services Inc., to deliver the Warrant Shares by way of a DRS statement or share certificate to the address specified by the Holder in the Notice of Exercise, no later than the Warrant Share Delivery Date. Upon any exercise of this Warrant by a Holder other than a Non-U.S. Holder, or if at the time of exercise the Company does not qualify as a "foreign issuer" (as defined in Rule 902 of Regulation S under the Securities Act), the Warrant Shares shall be issued bearing the following legend (the "U.S. Legend"):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR U.S. STATE SECURITIES LAWS. BY PURCHASING OR OTHERWISE HOLDING SUCH SECURITIES, THE HOLDER AGREES FOR THE BENEFIT OF IM CANNABIS CORP. (THE "COMPANY") THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE COMPANY; OR (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS; OR (C) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT OR (D) PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT PROVIDED BY (I) RULE 144 OR (II) RULE 144A THEREUNDER, IF AVAILABLE, AND IN EACH CASE IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS; OR (E) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS; OR (F) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT, PROVIDED THAT, IN THE CASE OF TRANSFERS PURSUANT TO (D) OR (E) ABOVE, THE HOLDER HAS, PRIOR TO SUCH TRANSFER, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

provided, however, that such legend shall not be required if (i) a registration statement covering the resale of the Warrant Shares is effective, or (ii) the Warrant Shares are being sold pursuant to Rule 144, subject to customary certifications (and if required, a legal opinion by counsel to the Company at the Company's expense). If the Company qualifies as a "foreign issuer" at the time of issuance and the Warrant Shares are being sold pursuant to Rule 904, the legend may be removed upon delivery to the Company and the transfer agent of a Declaration and, if applicable, a Broker Affirmation in the form attached hereto as Exhibit C (or another reasonably acceptable form).

iii. Delivery of New Warrants Upon Exercise. If this Warrant shall have been exercised in part, the Company shall, at the request of a Holder and upon surrender of this Warrant certificate, at the time of delivery of the Warrant Shares, deliver to the Holder a new Warrant evidencing the rights of the Holder to purchase the unpurchased Warrant Shares called for by this Warrant, which new Warrant shall in all other respects be identical with this Warrant.

iv. Rescission Rights. If the Company fails to cause the transfer agent to transmit to the Holder the Warrant Shares pursuant to Section 2(d)(i) by the Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise; provided, however, that the Holder shall be required to return any Warrant Shares or Common Shares subject to any such rescinded exercise notice concurrently with the return to the Holder of the aggregate Exercise Price paid to the Company for such Warrant Shares and the restoration of the Holder's right to acquire such Warrant Shares pursuant to this Warrant (including, issuance of a replacement warrant certificate evidencing such restored right).

v. Compensation for Buy-In on Failure to Timely Deliver Warrant Shares Upon Exercise. In addition to any other rights available to the Holder, if the Company fails to cause the transfer agent to transmit to the Holder the Warrant Shares in accordance with the provisions of Section 2(d)(i) and (ii) above pursuant to an exercise on or before the Warrant Share Delivery Date, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, Common Shares to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Company shall (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the Common Shares so purchased exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder the number of Common Shares that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Shares having a total purchase price of C\$11,000 to cover a Buy-In with respect to an attempted exercise of Common Shares with an aggregate sale price giving rise to such purchase obligation of C\$10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder C\$1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver Common Shares upon exercise of the Warrant as required pursuant to the terms hereof.

vi. No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such exercise, the Company shall, at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Exercise Price or round up to the next whole share.

vii. Charges, Taxes and Expenses. Issuance of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such Warrant Shares, all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; provided, however, that in the event that Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto duly executed by the Holder and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto. The Company shall pay all transfer agent fees required for same-day processing of any Notice of Exercise and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Warrant Shares.

viii. Closing of Books. The Company will not close its shareholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

e) Holder's Exercise Limitations. The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 2 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's Affiliates, and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates (such Persons, "Attribution Parties")), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of Common Shares beneficially owned by the Holder and its Affiliates and Attribution Parties shall include the number of Common Shares issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of Common Shares which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Share equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 2(e), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 2(e) applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination and shall have no liability for exercises of the Warrant that are not in compliance with the Beneficial Ownership Limitation (other than to the extent that information on the number of outstanding Common Shares is provided by the Company and relied upon by the Holder). In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder and the Company shall have no obligation to verify or confirm the accuracy of such determination and shall have no liability for exercises of the Warrant that are not in compliance with the Beneficial Ownership Limitation (other than to the extent that information on the number of outstanding Common Shares is provided by the Company and relied upon by the Holder). For purposes of this Section 2(e), in determining the number of outstanding Common Shares, a Holder may rely on the number of outstanding Common Shares as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or transfer Agent setting forth the number of Common Shares outstanding. Upon the written or oral request of a Holder, the Company shall within one (1) Trading Day confirm orally and in writing to the Holder the number of Common Shares then outstanding. In any case, the number of outstanding Common Shares shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding Common Shares was reported. The "Beneficial Ownership Limitation" shall be 4.99% of the number of Common Shares outstanding immediately after giving effect to the issuance of Common Shares issuable upon exercise of this Warrant. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 2(e), provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of the Common Shares outstanding immediately after giving effect to the issuance of Common Shares upon exercise of this Warrant held by the Holder and the provisions of this Section 2(e) shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 2(e) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Warrant. To the extent that this Warrant is not exercisable as a result of the Holder's Beneficial Ownership Limitation, no alternate consideration is owed to the Holder.

Without limiting the Holder's right to exercise any portion of this Warrant other than the Beneficial Ownership Limitation set forth under this section (e), the Holder acknowledges that beneficial ownership of 5.00% or more of the issued and outstanding Common Shares may require certain approvals from the Israeli Medical Cannabis Agency ("IMCA") and undertakes to fully cooperate with the Company and deliver all information and documentation required by the Company to obtain such approvals. Furthermore, the Holder acknowledges that any failure of the Company or its shareholders to comply with the aforementioned requirement for the IMCA approval may impact the Company's subsidiaries' ability to continue operating in compliance with any licenses to engage in Cannabis activities in Israel or to renew such licenses. Any inability of the subsidiaries to maintain their respective licenses in good standing may result in a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Section 3. Certain Adjustments.

a) Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding: (i) pays a share dividend or otherwise makes a distribution or distributions of its Common Share or any other equity or equity equivalent securities payable in Common Shares (which, for avoidance of doubt, shall not include any Common Shares issued by the Company upon exercise of this Warrant or any other Warrants), (ii) subdivides outstanding Common Shares into a larger number of shares, (iii) combines (including by way of reverse share split) outstanding Common Shares into a smaller number of shares, (iv) issues any bonus shares or (v) issues by reclassification of Common Shares, then in each case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of Common Shares (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of Common Shares outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant shall remain unchanged. Any adjustment made pursuant to this Section 3(a) shall become effective immediately after the record date for the determination of shareholders entitled to receive such dividend or distribution (provided, that such adjustment shall be reversed if such dividend or distribution is terminated prior to the making thereof) and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

b) Subsequent Rights Offerings. In addition to any adjustments pursuant to Section 3(a) above, if at any time the Company grants, issues or sells any Common Share equivalents or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of Common Shares (the "Purchase Rights"), then the Holder shall be entitled to acquire such Purchase Rights only to the extent that this Warrant has been exercised in full or in part prior to the applicable record date. For the avoidance of doubt, no rights shall accrue with respect to any portion of this Warrant that remains unexercised as of the applicable record date. The Company shall have no obligation to hold any Purchase Rights in abeyance or to reserve any securities or property in connection therewith.

c) Pro Rata Distributions. During such time as this Warrant is outstanding, if the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of Common Shares, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a "Distribution"), at any time after the issuance of this Warrant, then, in each such case, the Holder shall be entitled to participate in such Distribution only to the extent that this Warrant has been exercised in full or in part prior to the applicable record date. No right to receive any portion of such Distribution shall accrue with respect to any unexercised portion of the Warrant. The Company shall have no obligation to hold any portion of such Distribution in abeyance or reserve it for the benefit of the Holder.

d) Calculations. All calculations under this Section 3 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 3, the number of Common Shares deemed to be issued and outstanding as of a given date shall be the sum of the number of Common Shares (excluding treasury shares, if any) issued and outstanding.

e) Notice to Holder.

i. Adjustment to Exercise Price. Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly deliver to the Holder by email a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of Warrant Shares and setting forth a brief statement of the facts requiring such adjustment.

ii. Notice to Allow Exercise by Holder. If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Shares, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Shares, (C) the Company shall authorize the granting to all holders of the Common Shares rights or warrants to subscribe for or purchase any shares of any class or of any rights, (D) the approval of any shareholders of the Company shall be required in connection with any reclassification of the Common Shares, any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Shares are converted into other securities, cash or property, or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be delivered by email to the Holder at its last email address as it shall appear upon the Warrant Register of the Company, at least five Business Days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Shares of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Shares of record shall be entitled to exchange their Common Shares for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice and provided, further that no notice shall be required if the information is disseminated in a press release or document filed with the Securities and Exchange Commission and on SEDAR+. To the extent that any notice provided in this Warrant constitutes, or contains, material, non- public information regarding the Company or any of the subsidiaries, the Company shall simultaneously file such notice on SEDAR+ and with the Commission pursuant to a Report of Foreign Private Issuer on Form 6-K. The Holder shall remain entitled to exercise this Warrant during the period commencing on the date of such notice to the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

f) Voluntary Adjustment By Company. Subject to the rules and regulations of the Trading Market, the Company may at any time during the term of this Warrant reduce the then current Exercise Price to any amount and for any period of time deemed appropriate by the board of directors of the Company.

Section 4. Transfer of Warrant.

a) Transferability. Subject to compliance with any applicable securities laws and the conditions set forth in Section 4(d) hereof and to the provisions of Section 5.1.9 of the Subscription Agreement, this Warrant and all rights hereunder (including, without limitation, any registration rights) are transferable, in whole or in part, upon surrender of this Warrant at the principal office of the Company or its designated agent, together with a written assignment of this Warrant substantially in the form attached hereto duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants, upon the same terms as this Warrant, in the name of the assignee or assignees, as applicable, and in the denomination or denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant evidencing the portion of this Warrant not so assigned, and this Warrant shall promptly be cancelled. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company unless the Holder has assigned this Warrant in full, in which case, the Holder shall surrender this Warrant to the Company within three (3) Trading Days of the date on which the Holder delivers an assignment form to the Company assigning this Warrant in full. This Warrant, if properly assigned in accordance herewith, may be exercised by a new holder for the purchase of Warrant Shares without having a new Warrant issued.

b) New Warrants. This Warrant may be divided or combined with other Warrants upon presentation hereof at the aforesaid office of the Company, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the Holder or its agent or attorney. Subject to compliance with Section 4(a), as to any transfer which may be involved in such division or combination, the Company shall execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants to be divided or combined in accordance with such notice. All Warrants issued on transfers or exchanges shall be dated the Issue Date and shall be identical with this Warrant except as to the number of Warrant Shares issuable pursuant thereto.

c) Warrant Register. The Company shall register this Warrant, upon records to be maintained by or on behalf of the Company for that purpose (the “Warrant Register”), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

d) Transfer Restrictions. If, at the time of the surrender of this Warrant in connection with any transfer of this Warrant, the transfer of this Warrant shall not be either (i) registered pursuant to an effective registration statement under the Securities Act and under applicable state and Canadian securities laws or blue sky laws or (ii) eligible for resale without volume or manner-of-sale restrictions or current public information requirements pursuant to Rule 144, the Company may require, as a condition of allowing such transfer, that the Holder or transferee of this Warrant, as the case may be, comply with the Canadian and U.S. transfer restrictions set forth herein and in the Subscription Agreement.

e) Representation by the Holder. The Holder, by the acceptance hereof, represents and warrants that it is acquiring this Warrant and, upon any exercise hereof, will acquire the Warrant Shares issuable upon such exercise, for its own account and not with a view to or for distributing or reselling such Warrant Shares or any part thereof in violation of the Securities Act or any applicable state or Canadian securities laws or blue sky laws, except pursuant to sales registered or exempted under the Securities Act or Canadian securities laws.

Section 5. Miscellaneous.

a) No Rights as Shareholder Until Exercise; No Settlement in Cash. This Warrant does not entitle the Holder to any voting rights, dividends or other rights as a shareholder of the Company prior to the exercise hereof as set forth in Section 2(d)(i), except as expressly set forth in Section 3. In no event will the Company be required to net cash settle an exercise of this Warrant.

b) Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any share certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or share certificate, if mutilated, the Company will make and deliver a new Warrant or share certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or share certificate.

c) Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Trading Day, then, such action may be taken or such right may be exercised on the next succeeding Trading Day.

d) Authorized Shares.

The Company covenants that, during the period the Warrant is outstanding, it will reserve from its authorized and unissued Common Shares a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Shares may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its notice of articles or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be reasonably necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (i) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and (ii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be, necessary to enable the Company to perform its obligations under this Warrant.

Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be reasonably necessary from any public regulatory body or bodies having jurisdiction thereof.

e) Jurisdiction. All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be determined in accordance with the provisions of the Subscription Agreement.

f) Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered, will have restrictions upon resale imposed by applicable Canadian, U.S. state and federal securities laws.

g) Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies, notwithstanding the fact that the right to exercise this Warrant terminates on the Termination Date. Without limiting any other provision of this Warrant or the Subscription Agreement, if the Company willfully and knowingly fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to the Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by the Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

h) Notices. Any notice, request or other document required or permitted to be given or delivered to the Holder by the Company shall be delivered in accordance with the notice provisions of the Subscription Agreement.

i) Limitation of Liability. No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any Common Shares or as a shareholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

j) Remedies. The Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive and not to assert the defense in any action for specific performance that a remedy at law would be adequate.

k) Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.

l) Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company, on the one hand, and the Holder of this Warrant, on the other hand.

m) Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.

n) Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

o) Currency and Exchange Rate. Unless otherwise specified, all dollar amounts in this Warrant, including the symbol “C\$” or “\$”, are expressed in Canadian dollars. If the Holder provides the amount of the aggregate Exercise Price in any other currency, including US\$ or NIS, as applicable, then the number of Warrant Shares issuable to the Holder will be determined by multiplying the aggregate Exercise Price by the Exchange Rate and dividing the product by the Exercise Price. “Exchange Rate” means the US\$:NIS, C\$:NIS or C\$:US\$, as applicable, with the daily exchange rate as reported by the Bank of Israel on the Business Day prior to the applicable date of exercise.

p) Electronic Signature. The Company may execute this certificate by electronic signature. To the extent that this certificate or any agreement subject to the terms hereof or any amendment hereto is executed, recorded or delivered electronically, it shall be binding to the same extent as though it had been executed on paper with an original ink signature. The fact that this certificate is executed, signed, stored or delivered electronically shall not prevent the enforcement of the terms hereof. Physical possession of the original of this certificate or any paper copy thereof shall confer no special status to the bearer thereof

(Signature Page Follows)

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its officer thereunto duly authorized as of the date first above indicated.

IM CANNABIS CORP.

By: _____

Name: Oren Shuster

Title: Chief Executive Officer

NOTICE OF EXERCISE

TO: **IM CANNABIS CORP. (THE "COMPANY")**

(1) The undersigned hereby elects to purchase _____ Warrant Shares of the Company pursuant to the terms of the attached Warrant (only if exercised in full), and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

(2) Please issue said Warrant Shares in the name of the undersigned or in such other name as is specified below:

The Warrant Shares shall be delivered to the following DWAC Account Number:

(3) Accredited Investor. The undersigned is an "accredited investor" as defined in Regulation D promulgated under the Securities Act of 1933, as amended.

[SIGNATURE OF HOLDER]

Name of Investing Entity: _____

Signature of Authorized Signatory of Investing Entity: _____

Name of Authorized Signatory: : _____

Title of Authorized Signatory: : _____

Date: : _____

ASSIGNMENT FORM

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to exercise the Warrant to purchase shares.)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name:

(Please Print)

Address:

(Please Print)

Phone Number:

Email Address:

Dated: _____, _____

Holder’s Signature: _____

Holder’s Address: _____

TO: IM CANNABIS CORP. (THE “COMPANY”)
AND TO: COMPUTERSHARE INVESTOR SERVICES INC., AS REGISTRAR AND TRANSFER AGENT FOR THE COMPANY’S COMMON SHARES
 (THE “TRANSFER AGENT”)

The undersigned (A) acknowledges that the sale of _____ ☐ common shares OR ☐ common share purchase warrants of the Company to which this declaration relates, represented by certificate number _____ or held in Direct Registration System (DRS) Account No. _____, is being made in reliance on Rule 904 of Regulation S (“**Regulation S**”) under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), and (B) certifies that (1) the undersigned (a) is not an “affiliate” of the Company, as that term is defined in Rule 405 under the U.S. Securities Act, or is an affiliate solely by virtue of being an officer or director of the Company, (b) is not a “distributor” as defined in Regulation S, and (c) is not an affiliate of a distributor; (2) the offer of such securities was not made to a person in the United States and either (a) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believed that the buyer was outside the United States, or (b) the transaction was executed on or through the facilities of the Toronto Stock Exchange, the TSX Venture Exchange, the Canadian Securities Exchange, the Cboe Canada exchange or any other “designated offshore securities market”, and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States; (3) neither the seller nor any affiliate of the seller nor any person acting on their behalf has engaged or will engage in any directed selling efforts in the United States in connection with the offer and sale of such securities; (4) the sale is bona fide and not for the purpose of “washing off” the resale restrictions imposed because the securities are “restricted securities” (as that term is defined in Rule 144(a)(3) under the U.S. Securities Act); (5) the seller does not intend to replace such securities with fungible unrestricted securities; and (6) the contemplated sale is not a transaction, or part of a series of transactions, which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the U. S. Securities Act. Terms used herein have the meanings given to them by Regulation S under the U.S. Securities Act.

Dated _____, 20__.

X
Signature of individual (if Seller is an individual)

X
Authorized signatory (if Seller is **not** an individual)

Name of Seller (please print)

Name of authorized signatory (please print)

Official capacity of authorized signatory (please print)

Affirmation by Seller's Broker-Dealer
(Required for sales pursuant to Section (B)(2)(b) above)

We have read the representation letter of _____ (the "**Seller**") dated _____, 20____, pursuant to which the Seller has requested that we sell, for the Seller's account, _____ common shares of the Company represented by certificate number _____ or held in Direct Registration System (DRS) Account No. _____ (the "**Common Shares**"). We have executed sales of the Common Shares pursuant to Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), on behalf of the Seller. In that connection, we hereby represent to you as follows:

- (1) no offer to sell the Common Shares was made to a person in the United States;
- (2) the sale of the Common Shares was executed in, on or through the facilities of the Toronto Stock Exchange, the TSX Venture Exchange, the Canadian Securities Exchange, the Cboe Canada Exchange or another "designated offshore securities market" (as defined in Regulation S under the U.S. Securities Act), and, to the best of our knowledge, the sale was not pre-arranged with a buyer in the United States;
- (3) no "directed selling efforts" were made in the United States by the undersigned, any affiliate of the undersigned, or any person acting on behalf of the undersigned; and
- (4) we have done no more than execute the order or orders to sell the Common Shares as agent for the Seller and will receive no more than the usual and customary broker's commission that would be received by a person executing such transaction as agent.

For purposes of these representations: "**affiliate**" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the undersigned; "**directed selling efforts**" means any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the Common Shares (including, but not be limited to, the solicitation of offers to purchase the Common Shares from persons in the United States); and "**United States**" means the United States of America, its territories or possessions, any State of the United States, and the District of Columbia.

Legal counsel to the Company shall be entitled to rely upon the representations, warranties and covenants contained in this letter to the same extent as if this letter had been addressed to them.

Dated _____, 20____.

Name of Firm

By: _____

Title: _____

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY AND ANY SECURITY ISSUED ON EXERCISE HEREOF MUST NOT TRADE THE SECURITY AND ANY SECURITY ISSUED ON EXERCISE HEREOF BEFORE MARCH 13, 2025.

THE WARRANTS EVIDENCED HEREBY ARE EXERCISABLE AT OR BEFORE 4:00 P.M. (TORONTO TIME) ON NOVEMBER 12, 2026, AFTER WHICH TIME THE WARRANTS EVIDENCED HEREBY SHALL BE DEEMED TO BE VOID AND OF NO FURTHER FORCE OR EFFECT.

COMMON SHARE PURCHASE WARRANT

IM CANNABIS CORP.

Number of warrants represented by this certificate: [•]
Certificate number: **W-2024-11-00**[•]

Original Issue Date: **November 12, 2024**

THIS COMMON SHARE PURCHASE WARRANT (the "Warrant") certifies that, for value received, [•] of [•] or its assigns (the "Holder") is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the date hereof (the "Original Issue Date") and on or prior to 5:00 p.m. (Toronto time) on November 12, 2026 (the "Termination Date"), but not thereafter, to subscribe for and purchase from IM Cannabis Corp., a company existing under the laws of the Province of British Columbia (the "Company"), up to [•] common shares in the capital of the Company ("Common Shares") (as subject to adjustment hereunder, the "Warrant Shares"). The purchase price of one Warrant Share under this Warrant shall be equal to the Exercise Price, as defined in Section 2(b).

Section 1. Definitions. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the subscription agreement (the "Purchase Agreement"), dated November 12, 2024, among the Company and Holder.

Section 2. Exercise.

a) Exercise of Warrant. Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times on or after the Original Issue Date and on or before the Termination Date by delivery to the Company of a duly executed facsimile copy or PDF copy submitted by e-mail (or e-mail attachment) of the Notice of Exercise in the form annexed hereto as Exhibit A (the "Notice of Exercise"). Within the earlier of (i) ten (10) Trading Day and (ii) the number of Trading Days comprising the Standard Settlement Period (as defined in Section 2(c)(i) herein) following the date of exercise as aforesaid, the Holder shall deliver the aggregate Exercise Price for the Warrant Shares specified in the applicable Notice of Exercise by wire transfer or cashier's check drawn on a Canadian bank unless the cashless exercise procedure specified in Section 2(b) below is specified in the applicable Notice of Exercise. Notwithstanding anything herein to the contrary, a Holder and the Company may mutually agree to fix an exchange rate such that the Holder may pay the aggregate Exercise Price in U.S. dollars. No ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise be required. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within three (3) Trading Days of the date on which the final Notice of Exercise is delivered to the Company. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Company shall deliver any objection to any Notice of Exercise within one (1) Trading Day of receipt of such notice. **The Holder and any assignee, by acceptance of this Warrant, acknowledge and agree that, by reason of the provisions of this paragraph, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.**

This Warrant and the Warrant Shares have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the “Securities Act”) or under state securities laws of any state in the United States. Warrants originally issued in the United States or to, or for the account or benefit of, a U.S. Person or a person in the United States are, and any Common Shares issued upon exercise of such Warrants will be, “restricted securities” within the meaning of Rule 144(a)(3) of the Securities Act. Accordingly, this Warrant may not be exercised in the United States, by, or on behalf of a U.S. Person or a person in the United States unless an exemption is available from the registration requirements of the Securities Act and applicable state securities laws. “United States” and “U.S. Person” have the meanings given to them in Regulation S under the Securities Act.

b) Exercise Price.

i. The exercise price per Warrant Share under this Warrant shall be C\$4.32, subject to adjustment hereunder (the “Exercise Price”).

ii. If at any time during the term of this Warrant, there is no effective registration statement registering, or no current prospectus available for, the issuance of the Warrant Shares to the Holder, the Holder may also exercise the Warrant, in whole or in part, at such time by means of a “cashless exercise” in which the Holder shall be entitled to receive a number of Warrant Shares equal to the quotient obtained by dividing $[(A-B) (X)]$ by (A), where:

(A) = the VWAP on the Trading Day immediately preceding the date on which Holder elects to exercise this Warrant by means of a “cashless exercise,” as set forth in the applicable Notice of Exercise;

(B) = the Exercise Price of this Warrant, as adjusted hereunder; and

(X) = the number of Warrant Shares that would be issuable upon exercise of this Warrant in accordance with the terms of this Warrant if such exercise were by means of a cash exercise rather than a cashless exercise.

As used herein, “VWAP” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Shares are not then listed or quoted on a Trading Market in Canada but are listed or quoted on a Trading Market in the United States, the daily volume weighted average price of the Common Shares for such date (or if no trading occurs on such date, on the nearest preceding date on which trades occurred) on the principal Trading Market on which the Common Shares are then listed or quoted in the United States, converted into Canadian dollars based on the average daily rate of exchange reported by the Bank of Canada for the date of such trades (or, if no rate is reported for such date, the rate so reported for the next preceding date on which a rate was reported), or (b) in all other cases, the fair market value of a Common Share as determined by an independent appraiser selected in good faith by the Holders of a majority in interest of the Warrants then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

c) Mechanics of Exercise.

i. Delivery of Warrant Shares Upon Exercise. If the Holder is outside the United States at the time it exercises this Warrant and is not acting for the account or benefit of a U.S. Person or a person in the United States (a “Non-U.S. Holder”), and provided that at the time of exercise of this Warrant:

1) the Company continues to qualify as a “foreign issuer” (as defined in Rule 902 of Regulation S under the Securities Act), and

2) in the case of a Non-U.S. Holder who has executed and delivered a Foreign Purchaser’s Certificate pursuant of the Purchase Agreement (a “Foreign Purchaser”), the representations and warranties of the Holder contained in the Foreign Purchaser’s Certificate continue to be true and correct, and the Holder has complied, and will continue to comply, with its covenants contained therein,

the Company shall direct Computershare Investor Services Inc., as registrar and transfer agent for the Common Shares (the “Transfer Agent”), by the date that is the later of (i) the earlier of (X) two (2) Trading Days after the delivery to the Company of the Notice of Exercise and (Y) the number of Trading Days comprising the Standard Settlement Period after the delivery to the Company of the Notice of Exercise, and (ii) one (1) Trading Day after delivery of the aggregate Exercise Price to the Company (such date, the “Warrant Share Delivery Date”), to deliver, on an expedited basis, a direct registration system (“DRS”) statement or share certificate representing the Warrant Shares purchased hereunder to the Holder at the address specified by the Holder in the Notice of Exercise. Upon delivery of the Notice of Exercise, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the Warrant Shares, provided that payment of the aggregate Exercise Price (other than in the case of a cashless exercise) is received within the earlier of (i) one (1) Trading Day and (ii) the number of Trading Days comprising the Standard Settlement Period following delivery of the Notice of Exercise. If the Company fails for any reason to direct the Transfer Agent, by the Warrant Share Delivery Date, to deliver to the Holder the Warrant Shares subject to a Notice of Exercise as described above, the Company shall pay to the Holder, in cash, as liquidated damages and not as a penalty, for each US\$1,000 of Warrant Shares subject to such exercise (based on the VWAP of the Common Shares on the date of the applicable Notice of Exercise), US\$10 per Trading Day (increasing to US\$20 per Trading Day on the third Trading Day after the Warrant Share Delivery Date) for each Trading Day after such Warrant Share Delivery Date until such Warrant Shares are delivered or Holder rescinds such exercise. As used herein, “Standard Settlement Period” means the standard settlement period, expressed in a number of Trading Days, on the Company’s primary Trading Market with respect to the Common Shares as in effect on the date of delivery of the Notice of Exercise.

ii. Upon any exercise of this Warrant by a Holder other than a Non-U.S. Holder, or if at the time of exercise of this Warrant: the Company does not qualify as a “foreign issuer” (as defined in Rule 902 of Regulation S under the Securities Act), the Warrant Shares thereupon issued shall be represented by one or more DRS statements or share certificates imprinted with the legend set forth below (the “U.S. Legend”):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR U.S. STATE SECURITIES LAWS. BY PURCHASING OR OTHERWISE HOLDING SUCH SECURITIES, THE HOLDER AGREES FOR THE BENEFIT OF IM CANNABIS CORP. (THE “COMPANY”) THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE COMPANY; OR (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS; OR (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT PROVIDED BY (I) RULE 144 OR (II) RULE 144A THEREUNDER, IF AVAILABLE, AND IN EACH CASE IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS; OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS; OR (E) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT, PROVIDED THAT, IN THE CASE OF TRANSFERS PURSUANT TO (C) OR (D) ABOVE, THE HOLDER HAS, PRIOR TO SUCH TRANSFER, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

provided, however, that the Warrant Shares shall not bear the U.S Restrictive Legend if (i) a registration statement covering the resale of such Warrant Shares is effective and available for the resale thereof under the Securities Act or (ii) such Warrant Shares have been or are being sold pursuant to Rule 144, provided that the Holder provides customary certifications (and if required, a legal opinion to be provided by counsel to the Company at the Company's expense) to the Company and the Transfer Agent to such effect;

further provided that if the Company is a "foreign issuer" (as defined in Rule 902 of Regulation S under the Securities Act) at the time such Warrant Shares are issued or deemed to be issued, and such Warrant Shares *have been sold* pursuant to Rule 904, the U.S. Legend may be removed by providing to the Company and to the Transfer Agent a Declaration and, if applicable, a Broker Affirmation substantially in the form annexed hereto as Exhibit C (or such other form as the Company may reasonably prescribe); and

iii. Delivery of New Warrants Upon Exercise. If this Warrant shall have been exercised in part, the Company shall, at the request of a Holder and upon surrender of this Warrant certificate, at the time of delivery of the Warrant Shares, deliver to the Holder a new Warrant evidencing the rights of the Holder to purchase the unpurchased Warrant Shares called for by this Warrant, which new Warrant shall in all other respects be identical with this Warrant.

iv. Rescission Rights. If the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares pursuant to Section 2(c)(i) by the Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise.

v. Compensation for Buy-In on Failure to Timely Deliver Warrant Shares Upon Exercise. In addition to any other rights available to the Holder, if the Company fails to direct the Transfer Agent, on or before the Warrant Share Delivery Date, to transmit to the Holder the Warrant Shares in accordance with the provisions of Section 2(c)(i) above pursuant to an exercise, and if after the Warrant Share Delivery Date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, Common Shares to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Company shall (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the Common Shares so purchased exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder the number of Common Shares that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Shares having a total purchase price of US\$11,000 to cover a Buy-In with respect to an attempted exercise of Common Shares with an aggregate sale price giving rise to such purchase obligation of US\$10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder US\$1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver Common Shares upon exercise of the Warrant as required pursuant to the terms hereof.

vi. No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such exercise, the Company shall, at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Exercise Price or round up to the next whole share.

vii. Charges, Taxes and Expenses. Issuance of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such Warrant Shares, all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; provided, however, that, in the event that Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto as Exhibit B duly executed by the Holder and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto. The Company shall pay all Transfer Agent fees required for same-day processing of any Notice of Exercise, as well as all fees to CDS (or another established clearing corporation performing similar functions) required for same day electronic delivery of the Warrant Shares.

viii. Closing of Books. The Company will not close its shareholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

d) Holder's Exercise Limitations. The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 2 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's Affiliates, and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates (such Persons, "Attribution Parties")), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of Common Shares beneficially owned by the Holder and its Affiliates and Attribution Parties shall include the number of Common Shares issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of Common Shares which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Shares Equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 2(d), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act (as if applicable hereto) and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 2(d) applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination and shall have no liability for exercises of the Warrant that are not in compliance with the Beneficial Ownership Limitation (other than to the extent that information on the number of outstanding shares of Common Shares is provided by the Company and relied upon by the Holder). In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder and the Company shall have no obligation to verify or confirm the accuracy of such determination and shall have no liability for exercises of the Warrant that are not in compliance with the Beneficial Ownership Limitation (other than to the extent that information on the number of outstanding shares of Common Shares is provided by the Company and relied upon by the Holder). For purposes of this Section 2(d), in determining the number of outstanding Common Shares, a Holder may rely on the number of outstanding Common Shares as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Transfer Agent setting forth the number of Common Shares outstanding. Upon the written or oral request of a Holder, the Company shall within one (1) Trading Day confirm orally and in writing to the Holder the number of Common Shares then outstanding. In any case, the number of outstanding Common Shares shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding Common Shares was reported. The "Beneficial Ownership Limitation" shall be 9.99% of the number of shares of the Common Shares outstanding immediately after giving effect to the issuance of Common Shares issuable upon exercise of this Warrant. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 2(d), provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of shares of the Common Shares outstanding immediately after giving effect to the issuance of Common Shares upon exercise of this Warrant held by the Holder and the provisions of this Section 2(d) shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 2(d) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Warrant.

Without limiting the Holder's right to exercise any portion of this Warrant other than the Beneficial Ownership Limitation set forth under this section (e), the Holder acknowledges that beneficial ownership of 5% or more of the issued and outstanding Common Shares may require certain approvals from the Israeli Medical Cannabis Agency ("IMCA") and undertakes to fully cooperate with the Company and deliver all information and documentation required by the Company to obtain such approvals. Furthermore, the Holder acknowledges that any failure of the Company or its shareholders to comply with the aforementioned requirement for the IMCA approval may impact the Company's subsidiaries' ability to continue operating in compliance with any licenses to engage in Cannabis activities in Israel or to renew such licenses. Any inability of the subsidiaries to maintain their respective licenses in good standing may result in a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Section 3. Certain Adjustments.

a) **Stock Dividends and Splits.** If the Company, at any time while this Warrant is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions on shares of its Common Shares or any other equity or equity equivalent securities payable in Common Shares (which, for avoidance of doubt, shall not include any Common Shares issued by the Company upon exercise of this Warrant or any other Warrants), (ii) subdivides outstanding Common Shares into a larger number of shares, (iii) combines (including by way of reverse stock split) outstanding Common Shares into a smaller number of shares, or (iv) issues by reclassification of the outstanding Common Shares any capital shares of the Company, then in each case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of Common Shares (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of Common Shares outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant shall remain unchanged. Any adjustment made pursuant to this Section 3(a) shall become effective immediately after the record date for the determination of shareholders entitled to receive such dividend or distribution (provided, that such adjustment shall be reversed if such dividend or distribution is terminated prior to the making thereof) and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

b) [Reserved].

c) **Calculations.** All calculations under this Section 3 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 3, the number of Common Shares deemed to be issued and outstanding as of a given date shall be the sum of the number of Common Shares (excluding treasury shares, if any) issued and outstanding.

d) **Notice to Holder.**

i. **Adjustment to Exercise Price.** Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly deliver to the Holder by facsimile or email a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of Warrant Shares and setting forth a brief statement of the facts requiring such adjustment.

ii. **Notice to Allow Exercise by Holder.** If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Shares, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Shares, (C) the Company shall authorize the granting to all holders of the Common Shares rights or warrants to subscribe for or purchase any capital shares of any class or of any rights, (D) the approval of any shareholders of the Company shall be required in connection with any reclassification of the Common Shares, any consolidation or merger to which the Company (or any of its subsidiaries) is a party, any sale or transfer of all or substantially all of its assets, or any compulsory share exchange whereby the Common Shares is converted into other securities, cash or property, or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be delivered by facsimile or email to the Holder at its last facsimile number or email address as it shall appear upon the Warrant Register of the Company, at least five (5) Business Days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Shares of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Shares of record shall be entitled to exchange their shares of the Common Shares for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice and provided, further that no notice shall be required if the information is widely disseminated in a press release or document filed on SEDAR+. To the extent that any notice provided in this Warrant constitutes, or contains, material, non-public information regarding the Company or any of the subsidiaries, the Company shall simultaneously file such notice on SEDAR+. The Holder shall remain entitled to exercise this Warrant during the period commencing on the date of such notice to the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

Section 4. Transfer of Warrant.

a) Transferability. Subject to compliance with any applicable securities laws and the conditions set forth in Section 4(d) hereof, this Warrant and all rights hereunder (including, without limitation, any registration rights) are transferable, in whole or in part, upon surrender of this Warrant at the principal office of the Company or its designated agent, together with a written assignment of this Warrant substantially in the form attached hereto duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees, as applicable, and in the denomination or denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant evidencing the portion of this Warrant not so assigned, and this Warrant shall promptly be cancelled. The Warrant, if properly assigned in accordance herewith, may be exercised by a new holder for the purchase of Warrant Shares without having a new Warrant issued.

b) New Warrants. This Warrant may be divided or combined with other Warrants upon presentation hereof at the aforesaid office of the Company, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the Holder or its agent or attorney. Subject to compliance with Section 4(a), as to any transfer which may be involved in such division or combination, the Company shall execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants to be divided or combined in accordance with such notice. All Warrants issued on transfers or exchanges shall be dated the Original Issue Date and shall be identical with this Warrant except as to the number of Warrant Shares issuable pursuant thereto.

c) Warrant Register. The Company shall register this Warrant, upon records to be maintained by the Company for that purpose (the “Warrant Register”), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

d) Transfer Restrictions. If, at the time of the surrender of this Warrant in connection with any transfer of this Warrant, the transfer of this Warrant shall not be either (i) registered pursuant to an effective registration statement under the Securities and under applicable state securities or blue sky laws or pursuant to Canadian Securities Laws and regulations (ii) eligible for resale without volume or manner-of-sale restrictions or current public information requirements pursuant to Rule 144, the Company may require, as a condition of allowing such transfer, that the Holder or transferee of this Warrant, as the case may be, comply with the U.S. restrictions set forth in Section 2(c)(ii)(2)(A) herein.

e) Representation by the Holder. The Holder, by the acceptance hereof, represents and warrants that it is acquiring this Warrant and, upon any exercise hereof, will acquire the Warrant Shares issuable upon such exercise, for its own account and not with a view to or for distributing or reselling such Warrant Shares or any part thereof in violation of the Securities Act or any applicable state securities law or Canadian Securities Laws, except pursuant to sales registered or exempted under the Securities Act, and further represents and warrants that it is, and upon any exercise of this Warrant will be, a US Person or an Institutional Accredited Investor, as defined in Regulation D promulgated under the Securities Act.

Section 5. Miscellaneous.

a) No Rights as Shareholder Until Exercise; No Settlement in Cash. This Warrant does not entitle the Holder to any voting rights, dividends or other rights as a shareholder of the Company prior to the exercise hereof as set forth in Section 2(c)(i), except as expressly set forth in Section 3. Without limiting any rights of a Holder to receive cash payments pursuant to Section 2(c)(i), Section 2(c)(iv), and Section 3(b) herein, in no event shall the Company be required to net cash settle an exercise of this Warrant.

b) Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any share certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or share certificate, if mutilated, the Company will make and deliver a new Warrant or share certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or share certificate.

c) Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Trading Day, then such action may be taken or such right may be exercised on the next succeeding Trading Day.

d) Authorized Shares.

The Company covenants that, during the period the Warrant is outstanding, it will reserve from its authorized and unissued Common Shares a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Shares may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its notice of articles or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be reasonably necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (i) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and (iii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be, necessary to enable the Company to perform its obligations under this Warrant.

Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be reasonably necessary from any public regulatory body or bodies having jurisdiction thereof.

- e) Jurisdiction. All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be determined in accordance with the provisions of the Purchase Agreement.
- f) Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered, will have restrictions upon resale imposed by U.S. state and federal securities laws.
- g) Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies. Without limiting any other provision of this Warrant or the Purchase Agreement, if the Company willfully and knowingly fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to the Holder such amounts as shall be sufficient to cover any costs and expenses, including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by the Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.
- h) Notices. Any notice, request or other document required or permitted to be given or delivered to the Holder by the Company shall be delivered in accordance with the notice provisions of the Purchase Agreement.
- i) Limitation of Liability. No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any Common Shares or as a shareholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.
- j) Remedies. The Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive and not to assert the defense in any action for specific performance that a remedy at law would be adequate.
- k) Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.
- l) Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company and the Holder.
- m) Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.
- n) Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.
- o) Currency. All references to currency herein shall be deemed to refer to Canadian dollars, unless otherwise specified.
- p) Electronic Signature. The Company may execute this certificate by electronic signature. To the extent that this certificate or any agreement subject to the terms hereof or any amendment hereto is executed, recorded or delivered electronically, it shall be binding to the same extent as though it had been executed on paper with an original ink signature. The fact that this certificate is executed, signed, stored or delivered electronically shall not prevent the enforcement of the terms hereof. Physical possession of the original of this certificate or any paper copy thereof shall confer no special status to the bearer thereof.

(Signature Page Follows)

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its officer thereunto duly authorized as of the date first above indicated.

IM CANNABIS CORP.

Name: Michal Lebovitz Nissimov
Title: General Counsel

NOTICE OF EXERCISE

TO: **IM CANNABIS CORP. (THE "COMPANY")**

The undersigned hereby elects to purchase _____ Warrant Shares of the Company pursuant to the terms of the attached Warrant (only if exercised in full), and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

Payment shall take the form of (check applicable box)

- ☐ In lawful money of Canada; or
- ☐ In the event there is no effective registration statement registering, or no current prospectus available for, the issuance of the Warrant Shares to the Holder, by the cancellation of such number of Warrant Shares as is necessary, in accordance with the formula set forth in subsection 2(b)(ii) of the Warrant, to exercise this Warrant with respect to the maximum number of Warrant Shares purchasable pursuant to the cashless exercise procedure set forth in subsection 2(b)(ii) of the Warrant.

The undersigned represents, warrants and certifies as follows (one (only) of the following must be checked):

- ☐ (A) the undersigned Holder at the time of exercise of the Warrant (i) is not in the United States, (ii) is not a U.S. Person, (iii) is not exercising the Warrants for the account or benefit of a U.S. Person or a person in the United States, (iv) subject to Note 2 below, did not execute or deliver this exercise form in the United States, and (v) delivery of the underlying Common Shares will not be to an address in the United States; OR
- ☐ (B) the undersigned Holder is an original U.S. Purchaser under the Purchase Agreement, is exercising the Warrant for its own account, and is an "accredited investor" ("Accredited Investor") as defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended (the "Securities Act"), at the time of exercise of this Warrant, and the representations and warranties of the holder made in the U.S. Accredited Investor Confirmation Certificate, remain true and correct as of the date of exercise of this Warrant; OR
- ☐ (C) if the undersigned holder is (i) a holder in the United States, (ii) a U.S. Person, (iii) a person exercising for the account or benefit of a U.S. Person, (iv) executing or delivering this exercise form in the United States or (v) requesting delivery of the underlying Warrant Shares in the United States, the undersigned holder has delivered to the Company and the Company's transfer agent an opinion of counsel (which will not be sufficient unless it is in form and substance reasonably satisfactory to the Company) or such other evidence reasonably satisfactory to the Company and the Transfer Agent to the effect that with respect to the Common Shares to be delivered upon exercise of the Warrant, the issuance of such securities has been registered under the Securities Act and applicable state securities laws, or an exemption from such registration requirements is available.

It is understood that the Company may require evidence to verify the foregoing representations.

Notes:

- (1) Certificates will not be registered or delivered to an address in the United States unless Box B or C above is checked and the applicable requirements are complied with. If B or C is checked, the legend required by Section 2(c)(ii)(2)(A) of the Warrant Certificate (the "U.S. Legend") shall be affixed to the Warrant Shares unless the Company and the Transfer Agent receive a satisfactory opinion of counsel of recognized standing in form and substance satisfactory to the Company to the effect that the U.S. Legend is no longer required under the Securities Act and applicable U.S. state laws.
- (2) For greater certainty, Box A may be checked by or on behalf of a Holder that is a discretionary or similar account (other than an estate or trust) that is excluded from the definition of "U.S. Person" pursuant to Rule 902(k)(2)(i) of Regulation S, and is held on behalf of a person that is not a U.S. Person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States.

- (3) If the Warrant has a U.S. Legend affixed to them the resulting Warrant Shares will have the U.S. Legend unless the Company and Transfer Agent receive a satisfactory opinion of counsel of recognized standing in form and substance satisfactory to the Company and the Transfer Agent to the effect that the U.S. Legend is no longer required under the Securities Act and applicable state laws.
- (4) If Box C above is checked, holders are encouraged to consult with the Company and the Transfer Agent in advance to determine that the legal opinion tendered in connection with the exercise will be satisfactory in form and substance to the Company and the Transfer Agent.
- (5) “United States” and “U.S. Person” are as defined in Rule 902 of Regulation S under the Securities Act. The undersigned hereby irrevocably directs that the said Warrant Shares be issued, registered and delivered as follows (one (only) of the following must be checked):

☐ by certificates (please confirm DRS statements or physical certificates); or

☐ DRS Statements

☐ physical certificates

| Name(s) in Full and Social Insurance Number(s) (if applicable) | Address(es) | Number of Common Shares |
|---|-------------|-------------------------|
| <hr/> | <hr/> | <hr/> |
| <hr/> | <hr/> | <hr/> |
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[SIGNATURE OF HOLDER]

Name of Investing Entity: _____

Signature of Authorized Signatory of Investing Entity: _____

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____

Date: _____

ASSIGNMENT FORM

(To assign and transfer the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned and transferred to

Name: _____
 (Please Print)

Address: _____
 (Please Print)

Phone Number: _____

Email Address: _____

In the case of a Warrant Certificate that contains a U.S. restrictive legend, the undersigned hereby represents, warrants and certifies that (one (only) of the following must be checked):

- ☐ (A) the transfer is being made only to the Company;
- ☐ (B) the transfer is being made outside the United States in accordance with Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "Securities Act"), and in compliance with any applicable local securities laws and regulations and the holder has provided herewith the Declaration for Removal of Legend attached as Exhibit "C" to the Warrant Certificate (or such other form as the Company may reasonably prescribe), or
- ☐ (C) the transfer is being made within the United States or to, or for the account or benefit of, U.S. Persons, in accordance with a transaction that does not require registration under the Securities Act or applicable state securities laws and the undersigned has furnished to the Company an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company to such effect.

This Warrant shall only be transferable in accordance with all applicable laws. Without limiting the foregoing, if the Warrant Certificate bears a legend restricting the transfer of the Warrant except pursuant to an exemption from registration under the Securities Act, this Assignment Form must be accompanied by a (or such other form as the Company may prescribe from time to time), or a written opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company to the effect that the assignment and transfer is exempt from registration under the Securities Act and applicable state securities laws.

In the case of a Warrant Certificate that does not contain a U.S. restrictive legend, if the proposed transfer is to, or for the account or benefit of, a U.S. Person or a person in the United States, the undersigned transferor hereby represents, warrants and certifies that the transfer of the Warrants is being completed pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws, in which case the undersigned transferor has furnished to the Company an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company to such effect.

☐ If the assignment and transfer is to, or for the account or benefit of, a U.S. Person or a person in the United States, check this box.

In the event this transfer of the Warrant represented by this Warrant Certificate is to or for the account or benefit of a U.S. Person or a person in the United States, the Holder acknowledges and agrees that the Warrant Certificate(s) representing such Warrant issued in the name of the transferee will be endorsed with the legend required by Section 2(c)(ii)(2)(A) of the Warrant Certificate. "U.S. Person" and "United States" have the meanings ascribed to them in Regulation S under the Securities Act.

Dated: _____, _____

Holder's Signature: _____

Holder's Address: _____

**AND TO: COMPUTERSHARE INVESTOR SERVICES INC., AS REGISTRAR AND TRANSFER AGENT FOR THE COMPANY’S COMMON SHARES
(THE “TRANSFER AGENT”)**

Dated _____, 20____.

Official capacity of authorized signatory (please print)

Affirmation by Seller's Broker-Dealer
(Required for sales pursuant to Section (B)(2)(b) above)

We have read the representation letter of _____ (the "**Seller**") dated _____, 20____, pursuant to which the Seller has requested that we sell, for the Seller's account, _____ common shares of the Company represented by certificate number _____ or held in Direct Registration System (DRS) Account No. _____ (the "**Common Shares**"). We have executed sales of the Common Shares pursuant to Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), on behalf of the Seller. In that connection, we hereby represent to you as follows:

- (1) no offer to sell the Common Shares was made to a person in the United States;
- (2) the sale of the Common Shares was executed in, on or through the facilities of the Toronto Stock Exchange, the TSX Venture Exchange, the Canadian Securities Exchange, the Cboe Canada Exchange or another "designated offshore securities market" (as defined in Regulation S under the U.S. Securities Act), and, to the best of our knowledge, the sale was not pre-arranged with a buyer in the United States;
- (3) no "directed selling efforts" were made in the United States by the undersigned, any affiliate of the undersigned, or any person acting on behalf of the undersigned; and
- (4) we have done no more than execute the order or orders to sell the Common Shares as agent for the Seller and will receive no more than the usual and customary broker's commission that would be received by a person executing such transaction as agent.

For purposes of these representations: "**affiliate**" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the undersigned; "**directed selling efforts**" means any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the Common Shares (including, but not be limited to, the solicitation of offers to purchase the Common Shares from persons in the United States); and "**United States**" means the United States of America, its territories or possessions, any State of the United States, and the District of Columbia.

Legal counsel to the Company shall be entitled to rely upon the representations, warranties and covenants contained in this letter to the same extent as if this letter had been addressed to them.

Dated _____, 20____.

Name of Firm

By: _____

Title: _____

**CERTIFICATION OF INTENT TO SELL SECURITIES
OUTSIDE OF THE UNITED STATES PURSUANT
TO RULE 904 OF REGULATION S**

**TO: COMPUTERSHARE INVESTOR SERVICES INC., AS REGISTRAR AND TRANSFER AGENT FOR THE COMPANY’S COMMON SHARES
(THE “TRANSFER AGENT”)**

AND TO: IM CANNABIS CORP. (THE “COMPANY”)

WHEREAS, the undersigned is currently the holder of certain common share purchase warrants (the “**Warrants**”), each entitling the undersigned to purchase one common share in the capital of the Company (each, a “**Share**”)

WHEREAS, the Warrants and the underlying Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or under any state securities laws;

WHEREAS, the undersigned proposes to exercise the Warrants to acquire certain Shares (the “**Subject Shares**”) in the United States;

WHEREAS, the Subject Shares will be issued by the Company in reliance on exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws, will be “restricted securities” as defined in Rule 144(a)(3) under the U.S. Securities Act, and normally would be required to be represented by a certificate or Direct Registration System (“**DRS**”) statement (if applicable) bearing a legend restricting transfer of the Subject Shares under United States securities laws (the “**Restrictive Legend**”);

WHEREAS, the undersigned wishes to lodge the Subject Shares with the undersigned’s broker-dealer (the “**Broker**”), and to cause the Subject Shares in name of the Broker or in the name of the Broker’s nominee, and transmitting the certificate or DRS statement representing the Subject Shares based on our covenant that we will only sell the Subject Shares outside the United States in reliance on Rule 904 of Regulation S (“**Regulation S**”) under the U.S. Securities Act, in an “offshore transaction” (as defined in Rule 902 of Regulation S); and

WHEREAS, the undersigned is delivering this certification (this “**Certification**”) and the accompanying declaration and undertaking of the Broker to the Transfer Agent and the Company to facilitate transmittal of the certificate or DRS statement representing the Subject Shares directly to the Broker without the Restrictive Legend.

NOW, THEREFORE, The undersigned hereby certifies and acknowledges the following:

1. The undersigned certifies that it intends to resell the Subject Shares outside of the United States pursuant to Rule 904 of Regulation S;
 2. The undersigned further certifies that the undersigned is not (a) an “affiliate” of the Company (as that term is defined in Rule 405 under the U.S. Securities Act), except by solely by virtue of being an officer or director of the Company, (b) a “distributor” as defined in Regulation S, or (c) an affiliate of a distributor; and
 3. The undersigned further certifies that it will only instruct its broker to sell the Subject Shares in compliance with all requirements of Rule 904 of Regulation S, such that: (a) the offer of the Subject Shares will not be made to a person in the United States and either (i) at the time the buy order is originated, the buyer shall be outside the United States, or the undersigned and any person acting on its behalf shall reasonably believe that the buyer shall be outside the United States, or (ii) the transaction shall be executed on or through the facilities of the Toronto Stock Exchange, the TSX Venture Exchange, the Canadian Securities Exchange, Cboe Canada exchange or another “designated offshore securities market” (as defined in Regulation S), and to the knowledge of the undersigned and any person acting on its behalf, the transaction shall not be prearranged with a buyer in the United States; (b) neither the undersigned nor any affiliate of the undersigned nor any person acting on their behalf shall engage in any “directed selling efforts” (as defined in Regulation S) in the United States in connection with the offer and sale of the Subject Shares; (c) the sale shall be bona fide and not for the purpose of “washing off” the resale restrictions imposed because the Subject Shares are “restricted securities” (as that term is defined in Rule 144(a)(3) under the U. S. Securities Act); (d) the undersigned does not intend to replace Subject Shares sold in reliance on Rule 904 of Regulation S with fungible unrestricted securities; and (e) the contemplated sale is not a transaction, or part of a series of transactions, which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the U. S. Securities Act.
-

Delivery of Subject Share Certificate or DRS Statement

The certificate or DRS statement representing the Subject Shares are
to be delivered as follows:

Name of Broker:

Street Address:

Street Address (2):

City and State:

Zip Code:

Contact Name:

Alternate Contact:

Phone No.:

Fax No:

IN WITNESS WHEREOF, the undersigned has executed this Certification as of this _____ day of

_____, 20__.

Number of Subject Shares:

Name of Warrant Holder:

Signature of Warrant Holder

**DECLARATION AND UNDERTAKING OF BROKER
WITH RESPECT TO PROPOSED OFFSHORE RESALE OF SECURITIES
PURSUANT TO RULE 904 OF REGULATION S**

TO: **COMPUTERSHARE INVESTOR SERVICES INC., AS REGISTRAR AND TRANSFER AGENT FOR THE COMPANY'S COMMON SHARES (THE "TRANSFER AGENT")**

AND TO: **IM CANNABIS CORP. (THE "COMPANY")**

RE: **SALE OF THE FOLLOWING SECURITIES BY THE SECURITY HOLDER OF THE COMPANY NAMED BELOW PURSUANT TO RULE 904 OF REGULATION S OF THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"):**

NUMBER AND CLASS OF SECURITIES: _____ **COMMON SHARES (THE "SUBJECT SHARES")**

NAME OF SHAREHOLDER: _____ **(THE "SHAREHOLDER")**

We act on behalf of the Shareholder whose Certification of Intent to Sell Securities Outside of the United States (the "**Shareholder's Certification**") is attached hereto. The Shareholder has irrevocably instructed us to sell the Subject Shares on its behalf through in an "offshore transaction" in reliance of Rule 904 of Regulation S promulgated under the Securities Act. We confirm that we will execute sales of the Subject Shares pursuant to Rule 904 of Regulation S under the Securities Act on behalf of the Shareholder. In that connection, we hereby represent and warrant to, and covenant with you as follows:

1. We will not knowingly make any offer to sell the Subject Shares to any person in the United States.
2. If the offer and sale of the Subject Shares will be executed through the facilities of the Toronto Stock Exchange, the TSX Venture Exchange, the Canadian Securities Exchange, the Cboe Canada exchange or another "designated offshore securities market," the transaction, to our knowledge, shall not be prearranged with a buyer in the United States.
3. Neither we, nor any affiliate of ours, nor any person acting on our behalf, will engage in any "directed selling efforts" in the United States in connection with the offer and sale of the Subject Shares.
4. We will do no more than execute the order or orders to sell the Subject Shares as agent for the Shareholder and will receive no more than the usual and customary broker's commission that would be received by a person executing such transaction as agent.
5. We have reviewed a copy of the Shareholder's Certification and confirm that (i) the representations and warranties of the Shareholder are, to our knowledge, true and correct, and (ii) we will act in accordance with the Shareholder's Certification.

We acknowledge and agree that:

- (a) the Company and the Transfer Agent are and will be relying on this Declaration and Undertaking in registering the Subject Shares in our name or in the name of our nominee, and transmitting the certificate or Direct Registration System ("**DRS**") statement (if applicable) representing the Subject Shares to us, without a legend restricting transfer of the Subject Shares under United States securities laws, and in registering the transfer of the Subject Shares pursuant to Rule 904 of Regulation S;
- (b) the Subject Shares are "restricted securities" as defined in Rule 144(a)(3) promulgated under the Securities Act, and will continue to be "restricted securities" until such time that they have been resold pursuant to Rule 904 of Regulation S as contemplated herein;
- (c) accordingly, in the event that any Subject Shares are not resold in an "offshore transaction" in reliance of Rule 904 of Regulation S promulgated under the Securities Act, we will cause the certificate or DRS statement representing such Subject Shares to be returned directly to the Transfer Agent for the purpose of re-endorsing such instrument(s) with the U.S. restrictive legend prior to the return of same to the Shareholder; and
- (d) terms used herein without definition have the meanings given to them by Regulation S under the Securities Act.

Dated this _____ day of _____, 20____.

Signature of Signatory:

Name and Title of Authorized Signatory:

Name of Brokerage Company:

AMENDMENT NO. 1 TO COMMON SHARE PURCHASE WARRANT

IM CANNABIS CORP.

This Amendment No. 1 to the Common Share Purchase Warrant (this “Amendment”) dated this [] day of August 2025, by and among IM Cannabis Corp., a British Columbia corporation (the “Company”) and [] (the “Holder”).

WHEREAS, the Holder holds outstanding warrants to purchase up to (i) [] common shares, no par value per share of the Company, issued on November 12, 2024 (the “Warrant”);

WHEREAS, the Company and the Holder desire to amend the Warrant as more particularly set forth below;

THEREFORE, the parties do hereby agree as follows:

1. The Termination Date is hereby amended to 5:00 p.m. (Toronto time) on July 31, 2030.
2. Sections 2(b)(i) of the Warrant is hereby amended and restated in its entirety to read as follows:
“The exercise price per Warrant Share under this Warrant shall be C\$3.43, subject to adjustment hereunder (the “Exercise Price”).”
3. Capitalized terms not defined in this Amendment shall have the meanings ascribed to such terms in the Warrant.
4. Except as modified herein, the terms of the Warrant shall remain in full force and effect.
5. This Amendment may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and shall be binding upon all parties, their successors and assigns, and all of which taken together shall constitute one and the same Amendment. A signature delivered by facsimile or email shall constitute an original.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

IM CANNABIS, CORP.

By: _____
Name: Oren Shuster
Title: Chief Executive Officer

HOLDER

By: _____
Name: _____
Title: _____

[Signature Page to Amendment No. 1 to Common Share Purchase Warrant - IMCC]



August 13, 2025

IM Cannabis Corp.
3606 – 833 Seymour Street
Vancouver, British Columbia V6B 0G4

Dear Sirs and Mesdames:

Re: IM Cannabis Corp. – Registration Statement on Form F-3

We have acted as Canadian counsel to IM Cannabis Corp., a corporation existing under the laws of British Columbia, Canada (the “**Company**”), in connection with preparation of a Registration Statement on Form F-3, including the prospectus constituting a part thereof (the “**Registration Statement**”), being filed by the Company with the Securities and Exchange Commission (the “**Commission**”) under the Securities Act of 1933, as amended (the “**Securities Act**”), relating to the resale by certain selling shareholders of the Company of up to 4,982,517 common shares in the capital of the Company (“**Common Shares**”), no par value per Common Share, consisting of the following: (i) up to 1,202,000 Common Shares; (ii) up to 848,000 Common Shares issuable upon the exercise of pre-funded warrants (the “**Pre-Funded Warrants**”); (iii) up to 2,792,517 Common Shares issuable upon the exercise of common share purchase warrants issued as part of the Company’s 2024 private placement and 2025 private placement (collectively the “**Common Warrants**”); and (iv) up to 140,000 Common Shares issuable upon the exercise of warrants (the “**Finder’s Warrants**”). The 1,202,000 issued Common Shares, Common Shares underlying the Pre-Funded Warrants, Common Shares underlying the Common Warrants and Common Shares underlying the Finder’s Warrants are referred to herein collectively as the “**Securities**”. We understand that the Securities may be resold or delivered from time to time as set forth in the Registration Statement, any amendment thereto, the prospectus contained therein (the “**Prospectus**”).

1. Materials Reviewed

We have examined originals or copies, certified or otherwise identified to our satisfaction, of the Registration Statement and Prospectus.

We have also examined originals or copies, certified or otherwise identified to our satisfaction, of such public and corporate records, certificates, instruments and other documents and have considered such questions of law as we have deemed relevant and necessary as a basis for the opinions hereinafter expressed below.

2. Assumptions and Fact Reliance

We have assumed that at all relevant times:

- (a) all information contained in all documents reviewed by us is true and correct;
- (b) the genuineness of all signatures on all documents examined by us and the legal capacity of all natural persons;

| | | |
|--------------|----------------------|---|
| Phone | 604 687 6789 | Boughton Law Corporation |
| Fax | 604 683 5317 | Suite 700 - 595 Burrard Street, P.O. Box 49290 |
| Email | info@boughtonlaw.com | Vancouver, BC Canada V7X 1S8 boughtonlaw.com |

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- (c) the authenticity of all documents submitted to us as originals;
- (d) the conformity to original documents of all documents submitted to us as copies, whether facsimile, electronic, photostatic, certified or otherwise, and the authenticity of the originals of such copies;
- (e) each natural person signing any document reviewed by us had the legal capacity to do so, none of which facts we have independently verified;
- (f) no order, ruling or decision of any court or regulatory or administrative body is in effect at any relevant time that restricts the issuance of the Securities;
- (g) there is no foreign law that would affect the opinion expressed herein;
- (h) at the time of the execution and delivery of any documents relating to the Securities or the offering thereof, to the extent such documents purport to constitute agreements, such documents constitute valid and binding obligations of such parties;
- (i) the due authorization, execution and delivery of all documents where authorization, execution and delivery are prerequisites to the effectiveness of such documents;
- (j) the Company has the necessary corporate power and capacity to execute, deliver and perform its obligations under the terms and conditions of any purchase, underwriting or other agreement, indenture or instrument relating to the Company's creation, authentication, issuance, sale and/or delivery of the Securities to which the Company is party (any such agreement, the "**Agreement**");
- (k) the Company has the necessary corporate power and capacity to authorize, create, authenticate, validly issue, sell and deliver the Securities and perform its obligations under the terms and conditions of the Securities;
- (l) all necessary corporate action has been taken by the Company to duly authorize the execution and delivery by the Company of the Agreement and the performance of its obligations under the terms and conditions thereof;
- (m) all necessary corporate action has been taken by the Company to duly authorize, create, authenticate, sell, deliver and validly issue the Securities and to perform its obligations under the terms and conditions of the Securities, and all of the terms and conditions relevant to the execution, delivery and issuance of the Securities in the applicable Agreement have been complied with;
- (n) all necessary corporate action has been taken by the Company to duly authorize the terms of the offering of the Securities and related matters;
- (o) the Agreement (i) has been duly authorized, executed and delivered by all parties thereto and such parties had the capacity to do so; (ii) constitutes a legal, valid and binding obligation of all parties thereto; (iii) is enforceable in accordance with its terms against all parties thereto; and (iv) is governed by the laws of the Province of British Columbia;

- (p) the Securities have been duly authorized, created, authenticated, sold and delivered and validly issued by the Company and any other person signing or authenticating the Securities, as applicable;
- (q) the terms of the offering of the Securities and related matters have been duly authorized by the Company;
- (r) the Company has complied, and will comply, with Division 8 of the *Business Corporations Act* (British Columbia);
- (s) the execution and delivery of the Agreement and the performance by the Company of its obligations under the terms and conditions thereunder do not and will not conflict with and do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will conflict with or result in a breach of or default under any of the terms or conditions of the notice of articles or articles of the Company, any resolutions of the board of directors or shareholders of the Company, any agreement or obligation of the Company, or applicable law;
- (t) the authorization, creation, authentication, sale, delivery and issuance of the Securities and the Company's performance of its obligations under the terms and conditions of the Securities do not and will not conflict with and do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will conflict with or result in a breach of or default under any of the terms or conditions of the notice of articles or articles of the Company, any resolutions of the board of directors or shareholders of the Company, any agreement or obligation of the Company, or applicable law; and
- (u) the terms of the offering of the Securities and related matters do not and will not conflict with and do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will conflict with or result in a breach of or default under any of the terms or conditions of the notice of articles or articles of the Company, any resolutions of the board of directors or shareholders of the Company, any agreement or obligation of the Company, or applicable law.

Where our opinions expressed herein refer to any of the Securities having been issued as being "fully-paid and non-assessable", such opinion assumes that all required consideration (in whatever form) has been paid for such shares. No opinion is expressed as to the adequacy of any consideration received.

We have no responsibility or obligation to (i) update this opinion, (ii) take into account or inform the addressee or any other person of any changes in law, facts or other developments subsequent to this date that do or may affect the opinions we express, or (iii) advise the addressee or any other person of any other change in any matter addressed in this opinion. Nor do we have any responsibility or obligation to consider the applicability or correctness of this opinion to any person other than the addressee.

3. Applicable Laws

We are qualified to carry on the practice of law in the Province of British Columbia. The opinions expressed below are restricted to the laws of the Province of British Columbia and the laws of Canada applicable therein, in each case, in effect on the date hereof. We express no opinion with respect to the laws of any other jurisdiction.

4. Opinions

Based upon and relying on the foregoing, and subject to the qualifications hereinafter expressed, we are of the opinion that, on the date hereof, the:

- (a) the Common Shares already issued, when resold as contemplated by the Registration Statement, will continue to be validly issued, fully paid and non-assessable common shares in the capital of the Company;
- (b) upon full payment therefor and the issue thereof in accordance with the terms of the applicable warrant, the Common Shares underlying the Pre-Funded Warrants, Common Warrants and Finder's Warrants, which have been validly authorized and allotted for issuance, will be validly issued as fully paid and non-assessable common shares in the capital of the Company and will, when resold and paid for as contemplated by the Registration Statement, continue to be validly issued, fully paid and non-assessable; and upon payment for the applicable Securities provided for in the applicable Agreement and when issued, sold and delivered and in accordance with such Agreement.

5. Qualifications

This opinion letter has been prepared for your use in connection with the Registration Statement and is expressed as of the date hereof. Our opinion is expressly limited to the matters set forth above and we render no opinion, whether by implication or otherwise, as to any other matters relating to the Company, Prospectus, Registration Statement or Securities.

We hereby consent to the filing of this opinion letter as an exhibit to the Registration Statement and to the reference to this firm on the cover page and under the captions "Legal Matters" and "Enforcement of Civil Liabilities" in the Prospectus. In giving this consent, we do not hereby agree that we are within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the SEC promulgated thereunder.

Yours truly,

/s/ Boughton Law Corporation
Boughton Law Corporation

"Boughton Law Corporation"



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**CONSENT OF INDEPENDENT
REGISTERED PUBLIC ACCOUNTING FIRM**

We have issued our report dated March 31, 2025, with respect to the financial statements of IM Cannabis Corp., included in the Annual Report on Form 20-F for the year ended December 31, 2024, which is incorporated by reference in this Registration Statement. We consent to the incorporation by reference of the aforementioned report in the Registration Statement, and to the use of our name as it appears under the caption "Experts".

FAHN KANNE & CO. GRANT THORNTON ISRAEL

/s/ FAHN KANNE & CO. GRANT THORNTON ISRAEL

Tel-Aviv, Israel

August 13, 2025

Certified Public Accountants

Fahn Kanne & Co. is the Israeli member firm of Grant Thornton International Ltd.

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" in this Registration Statement (Form F-3) and related Prospectus of IM Cannabis Corp. for the registration of 4,982,517 shares of its common shares and to the incorporation by reference therein of our report dated March 28, 2024, with respect to the consolidated financial statements of IM Cannabis Corp. included in its Annual Report (Form 20-F) for the year ended December 31, 2023, filed with the Securities and Exchange Commission.

/s/KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

Tel-Aviv, Israel
August 13, 2025

IM Cannabis Corp.☐ Not Applicable1

3) (Also refers to the Amount Registered) All 4,982,517 Common Shares are to be offered for resale by the selling shareholders named in the prospectus contained in this Registration Statement on Form F-3.

☒ Not Applicable[illegible]

| | | | | | | | | | | | | |
|--------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Fee Offset Sources | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
|--------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|

Table 3: Combined Prospectuses

☑Not Applicable

| | Security Type | Security Class Title | Amount of Securities Previously Registered | Maximum Aggregate Offering Price of Securities Previously Registered | Form Type | File Number | Initial Effective Date |
|-----|---------------|----------------------|--|--|-----------|-------------|------------------------|
| N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |