

Form 51-102F3
Material Change Report

Item 1 **Name and Address of Company**

Entheos Capital Corp. (the “**Company**”)
Suite 2080-777 Hornby Street
Vancouver, British Columbia V6Z 1S4

Item 2 **Date of Material Change**

April 13, 2020

Item 3 **News Release**

A news release was disseminated on April 13, 2020 through the facilities of Stockwatch.

Item 4 **Summary of Material Change**

The Company has completed its previously announced non-brokered private placement raising an aggregate of \$250,000 through the sale of 3,333,333 units at a price of \$0.075 per unit.

Item 5 **Full Description of Material Change**

The Company has completed its previously announced non-brokered private placement raising an aggregate of \$250,000 through the sale of 3,333,333 units (each a “**Unit**”) at a price of \$0.075 per Unit.

Each Unit comprised one common share and one half of one share purchase warrant. Each whole warrant entitles the holder to acquire an additional common share at a price of \$0.15 per share until April 13, 2021. All securities issuable in the Placement are subject to a four month hold period expiring on August 14, 2020 in accordance with applicable securities laws and the rules and policies of the TSX Venture Exchange. No finder’s fees were paid.

Four insiders participated in the Placement subscribing for an aggregate of 1,100,000 Units on the same basis as other subscribers, as follows:

- (a) Mr. Brayden Sutton purchased, indirectly through Sutton Ventures Ltd., 666,667 Units for an aggregate cost of \$50,000;
- (b) Mr. Josh Taylor purchased directly 66,667 Units for an aggregate cost of \$5,000;
- (c) Mr. Corey Larricq purchased directly 66,667 Units for an aggregate cost of \$5,000; and
- (d) Ms. Samantha Shorter purchased, indirectly through Red Fern Consulting Ltd., 300,000 Units for an aggregate cost of \$22,500.

(collectively, the “**Insider Participation**”).

As Msrs. Sutton, Taylor and Larricq are directors of the Company and Ms. Shorter is an officer of the Company, they are "related parties" to the Company within the meaning of Multilateral Instrument 61-101- Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). As such, the Insider Participation, constitutes a "related party transaction" within the meaning of MI 61-101.

Prior to the Insider Participation, Ms. Shorter and Msrs. Taylor and Larricq held no common shares in the Company. The respective holdings of Msrs. Taylor and Larricq constitute less than 1% of the Company's issued and outstanding shares. Ms. Shorter's participations represent 3.85% of the Company's issued and outstanding shares.

Other than the subscription agreements between Msrs. Sutton, Taylor, Larricq, Ms. Shorter and the Company relating to the private placement, the Company has not entered into any agreement with an interested party or a joint actor with an interested party in connection with the Placement.

The board of directors approved the Placement. There are no prior valuations in respect of the Company or the Placement and neither the board of the Company nor its officers are aware of the existence of any such valuation.

The Company is relying on exemptions from the formal valuation and minority approval requirements under MI 61-101 in relation to the Insider Participation. The Company relied on Section 5.5(c) of MI 61-101 for an exemption from the formal valuation requirement and Section 5.7(1)(b) of MI 61-101 for an exemption from the minority shareholder approval requirement of MI 61-101 as the Placement was (a) a distribution of securities of the Company for cash consideration and there are no undisclosed material events relating to the Company or its securities and (b) the Company's securities are not listed on any market other than the TSX Venture Exchange and the fair market value of the securities distributed to the related parties did not exceed \$2,500,000.

The material change report in connection with the Placement was not filed 21 days in advance of the closing of the Placement for the purposes of Section 5.2(2) of MI 61-101 on the basis that the subscriptions under the Placement were not available to the Company until shortly before the closing.

Of the Units acquired by existing insiders, 666,667 Units, representing 8.54% of the issued and outstanding shares, were acquired by Sutton Ventures Ltd., a private entity owned and controlled by Brayden Sutton, the Company's CEO and a director, with his spouse. Prior to the Placement, Mr. Sutton held, indirectly through Sutton Ventures Ltd., held 346,480 common shares, representing 7.75% of the then issued and outstanding shares. Mr. Sutton now holds or exercises control or direction of a total of 1,013,147 common shares representing 12.98% of the current issued and outstanding shares of the Company, and on a partially diluted basis, together with the warrants held by him, as acquired in the Placement, would hold 15.90% of the then issued and outstanding shares.

Mr. Sutton acquired the Units for cash on the same basis as other subscribers and will evaluate his investment in the Company and may increase or decrease his

investment by future acquisitions or dispositions of securities of the Company at his discretion, as circumstances warrant. As of the date hereof, Mr. Sutton has no immediate future intention to acquire additional securities of the Company or dispose of securities of the Company that he beneficially owns. A copy of the Early Warning Report for Mr. Sutton will be available on SEDAR.

A portion of the Placement, bring 600,000 Units, has been closed in escrow with the Company's counsel pending clearance of the TSX Venture Exchange. These Units, representing 7.69% of the issued and outstanding shares, were acquired by Karim Mohamedani.

Prior to the Placement, Mr. Mohamedani held 311,550 common shares representing 6.9% of the then issued and outstanding shares. Mr. Mohamedani will now hold or exercises control or direction over a total of 911,550 common shares representing approximately 11.68% of the current issued and outstanding shares of the Company, and on a partially diluted basis, together with the warrants acquired in the Units, would hold 14.9% of the then issued and outstanding shares.

Mr. Mohamedani acquired the Units for cash on the same basis as other subscribers and will evaluate his investment in the Company and may increase or decrease his investment by future acquisitions or dispositions of securities of the Company at his discretion, as circumstances warrant. As of the date hereof, Mr. Mohamedani has no immediate future intention to acquire additional securities of the Company or dispose of securities of the Company that he beneficially owns, provided that in the event that the TSX Venture Exchange advises it will not permit Mr. Mohamedani's subscription, the Units will be automatically returned to treasury. A copy of the Early Warning Report for Mr. Mohamedani will be available on SEDAR.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

This Report is not being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102.

Item 7 Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer

Brayden Sutton is knowledgeable about the material change and the Report and may be contacted (778) 656-0377.

Item 9 Date of Report

April 21, 2020