

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

The BC Bud Corporation (the “**Company**”)
Suite 2080-777 Hornby Street
Vancouver, British Columbia
V6Z 1S4

Item 2 Date of Material Change

September 29, 2021

Item 3 News Release

A news release was disseminated on September 29, 2021 through the facilities of Cision.

Item 4 Summary of Material Change

The Company has:

- (a) completed its previously announced acquisition (the “**Transaction**”) of the BC Bud Holdings Corp. (formerly the BC Bud Corporation) (“**BCBC**”)
- (b) completed the conversion of previously issued subscription receipts into units releasing aggregate gross proceeds of \$1,000,000 (the “**Placement**”);
- (c) changed its name from Entheos Capital Corp. to “The BC Bud Corporation.”;
- (d) appointed Dayna Lange and Justin Chorbajian as directors and Thomas Joshua Taylor as President and Samantha Shorter as Corporate Secretary; and
- (e) granted an aggregate of 3,237,500 restricted stock units (“**RSUs**”) to directors and consultants at a deemed price of \$0.21 per RSU.

Item 5 Full Description of Material Change

Acquisition

The Company acquired all of the issued and outstanding securities of BCBC in consideration of the issuance of 26,250,000 common shares of the Company (the “**Payment Shares**”). BCBC is now a wholly owned subsidiary of the Company. All of the Payment Shares are subject to escrow pursuant to the policies of the CSE and will be released from escrow based on the passage of time, such that 10% of the securities were released on closing and the balance will be released in six equal tranches of 15% every six months thereafter

As two directors of the Company, being CEO Brayden Sutton and Director Josh Taylor were the holders of 40% of the issued and outstanding shares of BCBC, the Transaction constitutes a ‘related party transaction’ as defined in *Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions*.

The Transaction was reviewed and considered by the Company’s remaining independent director and approved by a majority of the Company’s minority

shareholders on July 29, 2021. Malahat Valuation Group has prepared an initial valuation report dated December 21, 2020 in respect of BCBC which concludes that the fair market value of BCBC is in the range of \$7.9-\$8.7 million. A copy of the valuation was attached to the Company's material change report dated June 28, 2021.

Placement

In connection with the Transaction, the Company completed a non-brokered private placement ("Private Placement") of 4,000,000 subscription receipts ("Subscription Receipts") at a price of \$0.25 per Subscription Receipt for aggregate gross proceeds of \$1,000,000, as further described in the Company's news release dated April 26, 2021.

Immediately prior to closing the Transaction, each Subscription Receipt issued pursuant to the Private Placement was converted into one unit of the Company comprising one common share of the Company and one share purchase warrant (each a "Warrant"). Each Warrant entitles the holder to acquire one additional common shares of the Company at an exercise price of \$0.50 per share until September 29, 2023, following the extension of the term of the Warrants approved by the Company. The Warrants are also subject to accelerated expiry provisions, whereby, if the closing price of the Company's common shares exceeds \$0.75 per share for a period of ten consecutive trading days, at the Company's election, the 24 month period within which the Warrants are exercisable will be reduced and the holders of the Warrants will be entitled to exercise their Warrants for a period of 30 days commencing on the day the Company provides notice of same.

Capitalization

Following completion of the Transaction, the Company now has 44,843,482 issued and outstanding common shares.

The Company has also granted to directors and consultants an aggregate of 3,237,500 RSUs at a deemed price of \$0.21 per RSU vesting over a 24 month period.

Name Change

The Company has changed its name from "Entheos Capital Corp." to "The BC Bud Corporation" The Company will commence trading on the Canadian Securities Exchange ("CSE") on September 30, 2021 under the symbol "BCBC".

Changes to Board and Management

Following the completion of the Transaction, Corey Larricq resigned as a director and Dayna Lange and Justin Chorbajian were appointed as directors.

Thomas Joshua Taylor, a founder of the Target has been appointed as the Company's President. Brayden Sutton continues to be the Company's CEO and a director and Samantha Shorter continues to serve as the Company's Chief Financial Officer and was appointed as Corporate Secretary.

The Company's board of directors now comprises: Brayden Sutton, Thomas Joshua Taylor, Dayna Lange and Justin Chorbajian.

Additional Information

Details of the Transaction are contained in the Company's listing statement dated September 29, 2021 which is filed on the Company's profile on www.sedar.com and the website of the CSE at www.thecse.com.

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

September 29, 2021