

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

February 28, 2023

Item 3 News Release

A news release was disseminated on February 28, 2013 through the facilities of Cision.

Item 4 Summary of Material Change

The Company issued an aggregate of 450,000 common shares at a deemed price of \$0.12 per share to directors and advisors as compensation for services provided during the financial year ended February 28, 2023 (the “Annual Compensation”).

Item 5 Full Description of Material Change

The Company has paid the Annual Compensation consisting of an aggregate of 450,000 common shares at a deemed price of \$0.12 per share.

All securities issued in the Annual Compensation are subject to a hold period in Canada expiring on June 29, 2023.

All of the shares issued in the Annual Compensation were issued to insiders of the Company, as follows:

- (a) Each of directors Dayna Lange, Justin Chorbajian and Brian Taylor received 100,000 shares each for value of \$12,000;
- (b) Marc Lustig, an advisor of the Company and a holder of greater than 10% of the Company’s outstanding shares, received 150,000 common shares for value of \$18,000.

As a result of the relationship of these parties to 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 Annual Compensation, constitutes a “related party transaction” within the meaning of MI 61-101

Prior to the Annual Compensation:

- (a) Ms. Lange held, directly, 131,250 common shares of the Company and she now holds 231,250 common shares which does not result in a material change to her ownership and represents less than 0.5% of the Company’s issued and outstanding shares;

- (b) Mr. Chorbajian held, directly, 131,250 common shares of the Company and he now holds 231,250 common shares which does not result in a material change to his ownership and represents less than 0.5% of the Company's issued and outstanding shares;
- (c) Mr. Taylor held, directly, no common shares of the Company and he now holds 100,000 common shares which does not result in a material change to his ownership and represents less than 0.5% of the Company's issued and outstanding shares; and
- (d) Mr. Lustig held directly 5,450,000 common shares and indirectly an additional 950,000 common shares, representing 11.98% of the outstanding shares, and he now holds 5,550,000 common shares directly and 950,000 common shares indirectly, representing 12.15% of the outstanding shares.

The Company has not entered into any agreement with an interested party or a joint actor with an interested party in connection with the Annual Compensation.

The board of directors approved the Annual Compensation, with directors receiving same abstaining from voting. There are no prior valuations in respect of the Company or the Annual Compensation and neither the board of the Company nor its officers are aware of the existence of any such valuation.

The Annual Compensation is exempt from the formal valuation (pursuant to subsections 5.5(a) and 5.7(1)(a) of MI 61-101 as the fair market value of the transaction, insofar as it involves interested parties, is not more than the 25% of the Company's market capitalization.

The material change report in connection with the Annual Compensation was not filed 21 days in advance of the completion of Annual Compensation for the purposes of Section 5.2(2) of MI 61-101 on the basis that the determination to issue was not made until the financial year end date.

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

March 3, 2023