

**World Class Extractions Inc.  
(formerly, CBD Med Research Corp.)**

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

**Item 1: Name and Address of Company**

World Class Extractions Inc. (formerly CBD Med Research Corp.) (the “Corporation”)  
#810- 750 W. Pender Street  
Vancouver, BC  
V6C 2T7

**Item 2: Date of Material Change**

March 25, 2019.

**Item 3: News Release**

A news release was issued and disseminated on March 25, 2019 and filed on SEDAR at [www.sedar.com](http://www.sedar.com), a copy of which is attached hereto as Schedule “A”.

**Item 4: Summary of Material Change**

The Corporation is pleased to announce that that it has signed a definitive collaboration agreement (the “Collaboration Agreement”) with Parity Partners PBC (“Parity”), a corporation doing business in the State of North Carolina. The Collaboration Agreement sets forth the terms on which Parity will assist Company in expanding its hemp and cannabis large scale extraction business in the United States.

**Item 5.1: Full Description of Material Change**

See attached news release at Schedule “A” to this report.

**Item 5.2 Disclosure for Restructuring Transactions**

Not applicable.

**Item 6: Reliance on subsection 7.1(2) of National Instrument 51-102 (Confidentiality)**

Not applicable.

**Item 7: Omitted Information**

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

**Item 8: Executive Officer**

For additional information with respect to this material change, the following person may be contacted:

Michael McCombie  
Chief Executive Officer  
Telephone: (855) 207-4491  
Email: [mike@wcextractions.com](mailto:mike@wcextractions.com)

**Item 9: Date of Report**

This report is dated as of the 26<sup>th</sup> day of March, 2019.

**SCHEDULE "A"**

Please see attached.



## WORLD CLASS ANNOUNCES REVENUE COLLABORATION AGREEMENT WITH PARITY FOR EXTRACTION IN NORTH CAROLINA AND POTENTIALLY OTHER US STATES

**Toronto, Ontario — March 25, 2019** — World Class Extractions Inc. (CSE: PUMP) (the “**Company**” or “**World Class**”) is pleased to announce that it has signed a definitive collaboration agreement (the “**Collaboration Agreement**”) with Parity Partners PBC (“**Parity**”), a corporation doing business in the State of North Carolina. The Collaboration Agreement sets forth the terms on which Parity will assist World Class in expanding its hemp and cannabis large scale extraction business in the United States.

Parity is co-founded by Bert James. Mr. James is a founding board member for the newly formed US Hemp Farming Alliance which is a partner organization with the US Hemp Round Table and the US Hemp Authority. He is the owner of Homegrown Agriculture Inc., since 2001, and the former CEO of Bio Regen Co-Op, an agricultural co-op with more than 100 farm members. Mr. James is a lead supporter and advocate of the North Carolina Industrial Hemp Program and is a featured speaker at hemp events across the United States.

In consideration for the various services that the parties intend to provide each other, as described below, the parties will split the net income arising out of the venture, with 75% being allocated to World Class and 25% to Parity. In addition, World Class has, as of the date hereof, granted Parity an aggregate of 40,000,000 warrants (“**Warrants**”) to purchase common shares in the capital of World Class (“**Common Shares**”). The Warrants vest in 5,000,000 increments upon the venture achieving certain gross revenue and net income thresholds, with each such increment having a different exercise price, all as described in the table below.

Milestones	Exercise Price
1	CAD\$0.15
2	CAD\$0.17
3	CAD\$0.20
4	CAD\$0.23
5	CAD\$0.30
6	CAD\$0.33
7	CAD\$0.40
8	CAD\$0.50

### *Parity Obligations*

Under the terms of the Collaboration Agreement, Parity will be responsible for the following:

- sourcing appropriate locations in the United States to locate World Class’s proprietary extraction machines (the “**WCE Machines**”);

- obtaining all licenses and approvals necessary for World Class to extract oils containing THC, CBD, and other cannabinoids from hemp and cannabis plants (the “**Extraction Services**”); and
- supplying the raw materials necessary for World Class to perform the Extraction Services;
- developing a market for the Extraction Services and the products produced out of the Extraction Services, including by employing salespeople and developing relationships with distributors.

### *World Class Obligations*

Under the terms of the Collaboration Agreement, World Class will be responsible for reimbursing Parity for the employment of Parity’s staff, other than its sales staff and paying for the delivery and installation of the WCE Machines.

Michael McCombie, Chief Executive Officer of World Class, stated, “This agreement represents a major milestone in expanding World Class’s business into the United States. We are absolutely thrilled to build upon World Class’s present success and momentum by taking our business into the United States. Parity will be a valuable partner, and World Class is excited to work together with Parity through strong collaboration and mutual commitments.”

Bert James, CEO of Parity, stated, “Parity Partners PBC is proud to be a part of the future of cannabis processing with World Class Extractions. The alignment, values and vision both companies offer the hemp industry is exciting. We will be a part of the new history being written about hemp and plant extracts.”

### **About World Class Extractions Inc.**

The Company is a Canadian based developer of an innovative extraction process for both the hemp and cannabis industry. The Company intends to provide single step continuous flow extraction services to the hemp and cannabis industry. Using patent pending technology, the Company’s results produce higher yields and better quality crude hemp oil at faster rates. The technology allows the extraction of CBD Oil and other related extracts from wet or dried natural plants. The Company can save its clients floor space, utility drying costs, equipment and processing labour costs.

### **About Parity Partners PBC**

The United States based Parity Partners PBC provides operational balance in agricultural production and further processing models. By utilizing a national network of trusted partners and service providers, combined with decades of related industry experience, clear paths are created to implement new and innovative technologies. Through collaboration and innovation, sustainable and regenerative practices find their way from the farmer’s field to the consumer’s counter. Parity promotes and facilitates open communication with supply chains and processors leading to increased efficiency and premium end products.

### **For further information please contact:**

Michael McCombie  
Chief Executive Officer  
Email: [mike@wceextractions.com](mailto:mike@wceextractions.com)

## **Forward Looking Statements**

*Certain statements included in this press release constitute forward-looking information or statements (collectively, “forward-looking statements”), including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend”, “may”, “should” and similar expressions to the extent they relate to the Company or its management. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This press release contains forward looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be anticipated, estimated, or intended.*

*Neither the Canadian Securities Exchange (the “CSE”) nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.*