

**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 “Company”)  
#810- 750 W. Pender Street  
Vancouver, BC  
V6C 2T7

**Item 2: Date of Material Change**

June 17, 2019

**Item 3: News Release**

A news release was issued and disseminated on June 17, 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 Company has reported that it has completed their previously announced plan of arrangement (the “Arrangement”) with Quadron Cannatech Corporation (“Quadron”) under the provisions of the *Business Corporations Act* (British Columbia), pursuant to which the Company has acquired all of the common shares of Quadron (the “Quadron Shares”) following Quadron’s amalgamation with the Company’s wholly-owned subsidiary, 1212476 B.C. LTD., to form a new wholly-owned subsidiary of World Class continuing as “Quadron Cannatech Corporation” (“Amalco”). Pursuant to the Agreement, the Company has agreed to acquire, through a wholly-owned subsidiary, all of the issued and outstanding common shares of Quadron Cannatech Corporation (collectively, the “**Quadron Shares**”) by way of a statutory plan of arrangement under the *Business Corporations Act* (British Columbia) (the “**Arrangement**”). Pursuant to the terms of the Arrangement, shareholders of Quadron (the “**Quadron Shareholders**”) will receive two (the “**Exchange Ratio**”) common shares of World Class (each, a “**World Class Share**”), for every Quadron Share held.

Under the terms of the Arrangement, each former Quadron shareholder is now entitled to receive two common shares of World Class (“**World Class Shares**”), for each Quadron Share held prior to the Arrangement (the “**Consideration**”). In addition, options and warrants to purchase Quadron Shares will continue to remain outstanding as options and warrants of Amalco, which, upon exercise, will entitle the holders to receive the Consideration that such holders would have been entitled to be issued if, prior to the closing date of the Arrangement, such holders had exercised their options or warrants. It is anticipated that the Quadron Shares will be delisted from the Canadian Securities Exchange as of the close of trading on June 17, 2019.

Furthermore, the Company has reported that, upon completion of the Arrangement, the board of World Class was reconstituted to consist of Rosy Mondin, Chand Jagpal, Anthony Durkacz, Dr. Raza Bokhari and Donal Carroll. Ms. Mondin and Mr. Jagpal were nominees of Quadron, Mr. Durkacz and Dr. Bokhari were nominees of World Class, and Mr. Carroll was a joint nominee of World Class and Quadron. In addition, Ms. Mondin was appointed Chief Executive Officer, Leo Chamberland was appointed President and Zara Kanji was appointed Chief Financial Officer of World Class, while Michael McCombie resigned as Chief Executive Officer and Donal Carroll resigned as Chief Financial Officer of World Class.

**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: [info@wextractions.com](mailto:info@wextractions.com)

**Item 9: Date of Report**

This report is dated as of the 17<sup>th</sup> day of June, 2019.

**SCHEDULE "A"**

Please see attached.



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## WORLD CLASS AND QUADRON ANNOUNCE CLOSING OF PLAN OF ARRANGEMENT

**Toronto, ON; Vancouver, BC, June 17, 2019** – World Class Extractions Inc. (“**World Class**”) (CSE: PUMP) and Quadron Cannatech Corporation (“**Quadron**”) (CSE: QCC) are pleased to announce that they have completed their previously announced plan of arrangement (the “**Arrangement**”) under the provisions of the *Business Corporations Act* (British Columbia), pursuant to which World Class has acquired all of the common shares of Quadron (the “**Quadron Shares**”) following Quadron’s amalgamation with World Class’s wholly-owned subsidiary, 1212476 B.C. LTD., to form a new wholly-owned subsidiary of World Class continuing as “Quadron Cannatech Corporation” (“**Amalco**”).

“The merger of Quadron Cannatech with World Class Extractions accelerates the pace and effectively increases progress towards our strategic goals of becoming the world’s largest extraction company in terms of capacity,” said Rosy Mondin, the new Chief Executive Officer of World Class. “The reconstituted management and board have diverse and strategically-relevant backgrounds to address the global opportunities arising in the cannabis and hemp industries.”

Under the terms of the Arrangement, each former Quadron shareholder is now entitled to receive two common shares of World Class (“**World Class Shares**”), for each Quadron Share held prior to the Arrangement (the “**Consideration**”). In addition, options and warrants to purchase Quadron Shares will continue to remain outstanding as options and warrants of Amalco, which, upon exercise, will entitle the holders to receive the Consideration that such holders would have been entitled to be issued if, prior to the closing date of the Arrangement, such holders had exercised their options or warrants. It is anticipated that the Quadron Shares will be delisted from the Canadian Securities Exchange (“**CSE**”) as of the close of trading on June 17, 2019.

Pursuant to the letter of transmittal mailed to Quadron shareholders as part of the material in connection with the special meeting of Quadron shareholders held on June 7, 2019 (the “**Meeting**”), in order to receive the Consideration to which they are entitled, registered holders of Quadron Shares will be required to deposit their share certificate(s) representing Quadron Shares, together with a duly completed letter of transmittal, with Capital Transfer Agency, ULC, the depository under the Arrangement. Shareholders whose Quadron Shares are registered in the name of a broker, dealer, bank, trust company or other nominee should contact their nominee with questions regarding the receipt of the Consideration.

### Management and Board Changes

Upon completion of the Arrangement, the board of World Class was reconstituted to consist of Rosy Mondin, Chand Jagpal, Anthony Durkacz, Dr. Raza Bokhari and Donal Carroll. Ms. Mondin and Mr. Jagpal were nominees of Quadron, Mr. Durkacz and Dr. Bokhari were nominees of World Class, and Mr. Carroll was a joint nominee of World Class and Quadron. In addition, Ms. Mondin was appointed Chief Executive Officer, Leo Chamberland was appointed President and Zara Kanji was appointed Chief Financial Officer of World Class, while Michael McCombie resigned as Chief Executive Officer and Donal Carroll resigned as Chief Financial Officer of World Class.

### Advisors

M Partners Inc. provided a fairness opinion to the Board of Directors of Quadron that the Arrangement is fair, from a financial point of view. First Republic Capital Corporation (“**First Republic**”) acted as financial advisor to World Class. In addition to other fees and expenses payable to First Republic, World Class paid a success fee (the “**Success Fee**”) to First Republic and Canaccord Genuity Corp. equal to, respectively, approximately 2.73% and 0.77% of the aggregate fair market value of the World Class Shares issuable by World Class to Quadron’s shareholders, payable in World Class Shares.

### **About World Class Extractions**

World Class is a Canadian based developer of an innovative extraction process for both the hemp and cannabis industry. World Class intends to provide single step continuous flow extraction services to the hemp and cannabis industry. Using patent pending technology, World Class' 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. World Class can save its clients floor space, utility drying costs, equipment and processing labour costs.

For more information, visit: [www.wcextractions.com](http://www.wcextractions.com).

### **About Quadron**

Quadron, through its wholly owned subsidiaries, provides turn-key extraction and processing solutions for the cannabis industry including proprietary industrial grade equipment, custom build processing facilities, ancillary products, and scientific services. Quadron delivers streamlined, costeffective and innovative solutions to help licensed growers, producers and processors develop market ready products all to achieve quicker ROI.

For more information, visit: [www.quadroncannatech.com](http://www.quadroncannatech.com).

### **Contact Information**

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

Rosy Mondin

Chief Executive Officer

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#### **Investor Relations Contact**

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VP, Investor Relations

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*Neither 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.*

**Cautionary Note Regarding Forward-Looking Statements:** *This news release includes statements containing forward-looking information regarding World Class and Quadron and their respective businesses. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "is expected", "expects", "scheduled", "intends", "contemplates", "anticipates", "believes", "proposes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, and include statements in this press release concerning the expected timing by which Quadron will be de-listed from the CSE, and our expectations of the benefits associated with combination of World Class and Quadron. Such statements are based on the current expectations of the management of World Class and Quadron. Such forward-looking events and circumstances may not occur when anticipated or at all and could differ materially as a result of known and unknown risk factors and uncertainties affecting World Class or Quadron, including risks regarding the cannabis industry, economic factors, the equity markets generally, risks associated with growth and competition and those risk factors referred to in the management information circular of Quadron prepared in connection with the Meeting. Although World Class and Quadron have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in this news release, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information cannot be*

*guaranteed. Except as required by applicable securities laws, statements in this news release containing forward-looking information speak only as of the date on which they are made and World Class and Quadron undertake no obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events, or otherwise, except as required by applicable securities laws.*