

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

InnoCan Pharma Corporation (the "Company" or "InnoCan")
03 Arik Einstein Street
Herzliya, Israel 4659071

Item 2. Dates of Material Change

March 7, 2025.

Item 3. News Release

The press release disclosing the material changes was released on March 7, 2025 through the facilities of Cision.

Item 4. Summary of Material Change

- On **March 7, 2025**, the Company announced that it has closed its it previously announced non-brokered private placement offering of a debenture unit of the Company (the "Debenture Unit") to its largest shareholder, Tamar Innovest Ltd. ("Tamar Innovest") for gross proceeds of US \$1,000,000 (the "Offering").
- The Debenture Unit consists of: (a) one secured convertible debenture of Innocan in the principal amount of US \$1,000,000 (the "Debenture") and (b) 5,555,555 common share purchase warrants (each, a "Warrant").
- The Debenture matures two (2) years from the date of issuance (the "Maturity Date"), will bear interest at the rate of 10% per annum and is convertible into common shares of Innocan ("Common Shares") prior to the Maturity Date at a price of \$0.21 per share (based on a foreign exchange rate on the day prior to the date of conversion). The Debenture is secured by a general security agreement and related security interest filed under the laws of the Province of Alberta as well as pledge of Innocan's shares of its Israeli subsidiary, Innocan Pharma Ltd.
- Each Warrant is exercisable into one Common Share at a price of CAD\$0.26 for a period of four (4) years from the date of issuance.
- Tamar Innovest currently beneficially owns and controls 49,726,309 Common Shares representing 17.14% of the current issued and outstanding Common Shares and is an insider of the Company. Tamar Innovest is managed by Ralph Bossino, a director of the Company. As such, Tamar Innovest's participation in the Offering constitutes a "related party transaction" under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company intends to rely on the exemptions from the valuation and the minority approval requirements of MI 61-101 provided for in subsections 5.5(a) and 5.7(a) of MI 61-101, respectively, as the fair market value of the Offering will not represent more than 25% of the Company's market capitalization as determined in accordance with MI 61-101. The Offering has been approved by the directors of the Company who are independent in connection with such transactions.

Item 5.

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5.2 *Disclosure for Restructuring Transactions*

Not Applicable

Item 6. *Item 6 - Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102 – Continuous Disclosure Obligations*

Not Applicable

Item 7. *Item 7 - Omitted Information*

No information has been omitted from this material change report.

Item 8. *Executive Officer*

Iris Bincovich, Chief Executive Officer
+972-54-3012842

Item 9. *Date of Report*

March 7, 2025