

Form 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

THC BioMed Intl Ltd.
P.O. Box 20033 Towne Centre
Kelowna, B.C. V1Y 9H2

Item 2: Date of Material Change

January 13, 2020

Item 3: News Release

A news release was issued and disseminated on January 13, 2020 and filed on SEDAR (www.sedar.com). A copy of the news release is attached as Schedule "A" hereto.

Item 4: Summary of Material Change

The Issuer has completed a private placement in which the Issuer issued 6,675,652 units ("Units") at a price of \$0.15 per Unit for a total of \$1,001,348.28 in cash and conversion of debt.

Item 5: Full Description of Material Change

The Issuer has completed a private placement in which the Issuer issued 1,342,319 Units to private investors at a price of \$0.15 per Unit, for total proceeds of \$201,348.28.

The Issuer also issued 5,333,333 Units at a price of \$0.15 per Unit, to settle a debt with a director of the Issuer.

Each Unit consists of one common share and one common share purchase warrant in the capital of the Company for a period of 24 months from closing at a price of \$0.18 per share for the first three months, \$0.25 during the following three months, \$0.50 for the three months following that and \$0.80 during the final fifteen months.

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

Not applicable

Item 7: Omitted Information

None

Item 8: Executive Officer

John Miller, President & CEO
Telephone: 1-844-THCMEDS

Item 9: Date of Report

January 21, 2020

Schedule "A"



THC BIOMED INTL LTD.
P.O. Box 20033 Towne Centre
Kelowna, B.C. V1Y 9H2
www.thcbiomed.com

THC Closes Private Placement and Announces Offering to Existing Shareholders

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Vancouver, B.C. – (January 13, 2020) THC BioMed Intl Ltd. (CSE: THC), ("**THC**" or the "**Company**") announces that it has completed a private placement in which the Company issued 6,675,652 units ("**Units**") at a price of \$0.15 per Unit, for total proceeds of \$201,348.28 and repayment of bona fide debt of \$800,000.

Each Unit consists of one common share (a "**Common Share**") and one common share purchase warrant (a "**Warrant**"). Each Warrant entitles the holder to purchase one Common Share of the Company for a period of 24 months from closing at a price of \$0.18 per share for the first three months, \$0.25 during the following three months, \$0.50 for the three months following that and \$0.80 during the final fifteen months.

Of the Units issued, 5,333,333 were acquired by John Miller, President, Chief Executive Officer and director of the Company in exchange for debt owing by the Company of \$800,000. Mr. Miller is acquiring the shares for investment purposes and now holds 31,151,404 of the 159,543,056 issued and outstanding common shares in the capital of the Company representing 19.5%.

The Company intends to use the proceeds from the Private Placement to expand its business and pay general working capital expenses.

Offering to Existing Shareholders

THC is also pleased to announce that it now offers to its existing shareholders the ability to participate in a private placement with the same terms as the Private Placement completed today.

THC will complete a non-brokered private placement financing for gross proceeds of up to \$500,000 through the issuance of up to 3,333,333 Units ("**Units**") at a price of \$0.15 per Unit (the "**Offering**") to its existing shareholders.

"We want to thank our shareholders and give them this opportunity," said John Miller, President and CEO of THC BioMed, "We have a business model that we believe in and we invite like-minded shareholders to reinvest in the Company."

Each Unit will be comprised of one common share and one common share purchase warrant (each a "**Warrant**"). Each warrant will be exercisable into one additional common share for a period of 24 months from closing at a price of \$0.18 per share for the first three months, \$0.25 during the following three months, \$0.50 for the three months following that and \$0.80 during the final fifteen months of the exercise period. The Offering is expected to close on or about February 21, 2019 or when the Offering has been subscribed for.

In the event that shareholders and debtholders do not take up all of the Offering by February 12, 2020, the Company may choose to accept subscription offers from non-shareholders pursuant to other prospectus exemptions.

The gross proceeds raised from the sale of the Units will be used by the Company for the renovation of rooms to be licensed by Health Canada, payment of outstanding debt to arm's length parties and for general working capital purposes. None of the proceeds of the Offering will be payable to non-arm's length parties except for general corporate purposes in the ordinary course of business.

The Offering is available to all shareholders of the Company. Those who were shareholders as of January 13, 2019 (the "**Record Date**") may be eligible to participate under the "Existing Shareholder Exemption". Anyone who becomes a shareholder of the Company after the Record Date or otherwise does not qualify for the Existing Shareholder Exemption may still be able to participate in the Offering using another exemption. Shareholders using the Existing Shareholder Exemption will be required to represent that they were security holders on the Record Date.

Other conditions for use of the Existing Shareholder Exemption include that the subscriber must: a) purchase the Units for his own account and not for any other party, and b) not purchase more than \$15,000 value of securities from the Company in any twelve month period unless he has first received suitability advice from a registered investment dealer. Subscribers relying on this exemption will be asked to confirm the registered investment dealer's name and contact information.

If the Offering is over-subscribed, it is possible that a shareholder's subscription may not be accepted by the THC. Additionally, in the event of an imbalance of large subscriptions compared to smaller subscriptions management of the Company reserves the right, in its discretion, to reduce large subscriptions in favour of smaller shareholder subscriptions. The minimum subscription amount per shareholder is \$1,000. The Offering will be exempt from prospectus and registration requirements of applicable securities laws. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements.

In the event that shareholders and debtholders do not take up all of the Offering by February 17, 2020, the Company may choose to accept subscription offers from non-shareholders pursuant to other prospectus exemptions.

THC BioMed confirms that all material facts or changes related to the Company currently have been disclosed.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State or province in which such offer, solicitation or sale would be unlawful. Completion of the Offering is subject to receipt of all necessary approvals from applicable securities regulatory authorities and the Canadian Securities Exchange (the "CSE").

All securities issued pursuant to the Offering will be subject to a four month and one day hold period in accordance with applicable securities laws. Any existing shareholders interested in participating in the Offering should contact the Company as noted below.

About THC

THC BioMed is a *Cannabis Act* Licensed Producer of medical and recreational cannabis. It is licensed to cultivate and sell dried, extract, edible and topical cannabis. THC BioMed is Canada's largest supplier of legal Cannabis Genetics. The Company is on the leading edge of scientific research and the development of products and services related in the medical cannabis industry. Management believe THC BioMed is well-positioned to be in the forefront of this rapidly growing industry.

President and CEO:

John Miller

THC Biomed Intl Ltd.

T: 1-844-THCMEDS

E: info@thcbiomed.com

The Canadian Securities Exchange (CSE) has not reviewed and does not accept responsibility for the adequacy or the accuracy of the contents of this release.

Forward-Looking Information:

This press release may include forward-looking information within the meaning of Canadian securities legislation, concerning the business of THC. Forward-looking information is based on certain key expectations and assumptions made by the management of THC. In some cases, you can identify forward-looking statements by the use of words such as “will,” “may,” “would,” “expect,” “intend,” “plan,” “seek,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” “continue,” “likely,” “could” and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Although THC believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because THC can give no assurance that they will prove to be correct. Forward-looking statements contained in this press release are made as of the date of this press release and include that (a) the Company will use the proceeds from the Private Placement to expand its business and pay general working capital expenses, (b) will complete a non-brokered private placement financing for gross proceeds of up to \$500,000 to its existing shareholders, (c) the new Offering will close on or about February 21, 2019 or when the new Offering has been subscribed for, (d) In the event that shareholders and debtholders do not take up all of the Offering by February 12, 2020, the Company may choose to accept subscription offers from non-shareholders pursuant to other prospectus exemptions, (e) the gross proceeds of the new Offering will be used by the Company for the renovation of rooms to be licensed by Health Canada, payment of outstanding debt to arm’s length parties and for general working capital purposes but none of the proceeds of the new Offering will be payable to non-arm’s length parties except for general corporate purposes in the ordinary course of business, and (f) THC will be in the forefront of this rapidly growing industry.

The Canadian Securities Exchange (CSE) has not reviewed and does not accept responsibility for the adequacy or accuracy of the contents of this release.