

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

Item 1 Name and Address of Company

Adastra Labs Holdings Ltd.
5451 - 275 Street
Langley, BC V4W 3X8

Item 2 Date of Material Change

March 26, 2021

Item 3 News Release

The news release was issued and disseminated on March 29, 2021 and filed on SEDAR at www.sedar.com, a copy of which is attached hereto as Schedule "A".

Item 4 Summary of Material Change

The Company announced that Blaine Bailey has resigned as a director of the Company.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please see the news release attached as Schedule "A" for a full description of the material change.

5.2 Disclosure for Restructuring Transactions

Not applicable

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

J. Scott Munro
President, Chief Executive Officer & Director
(778) 715-5011

Item 9 Date of Report

March 29, 2021

Schedule “A”



ADASTRA LABS ANNOUNCES DIRECTOR RESIGNATION



LANGLEY, BC / STOCKWATCH / March 29, 2021 - Adastra Labs Holdings Ltd. (CSE: XTRX) (FRANKFURT: D2EP) (“Adastra Labs” or the “Company) announces the resignation of Blaine Bailey as a director of the Company. Adastra’s board is currently assessing candidates to replace Mr. Bailey that will also be subject to completion of Health Canada security clearances.

About Adastra Labs

Adastra Labs is an agricultural-scale cannabis extraction, distillation and product manufacturer located in Langley, BC at its co-located Health Canada Licensed Standard Processing (extraction, no cultivation), Sales (extracts, topicals, and edibles) and Analytical Testing Laboratory (Chemia Analytics) facilities. Chemia Analytics is a wholly owned subsidiary of the Company. The Company also has an R&D license amendment pending Health Canada approval.

About Phyto Extractions™ Brands

Phyto Extractions™ products have been available in the regulated Canadian cannabis market since December 2019 when they launched 4 SKUs. Since that time, the brand has grown over four-fold to offer 18 SKUs including 0.3-gram disposable vaporizers (vapes) in four strains/flavours, 0.5-gram vaporizing cartridges in six strains/flavours with one kit, recently expanded to the 1.0-gram cartridge format in four strains/flavours, two strains of Live Resin and a unique High-Terpene Full Spectrum Extract (HTFSE) terp sauce SKU. Phyto Extractions™ has new product launches planned for 2021, including edibles, beverages, flower (bags, pre-rolls), hydrocarbon extracts (butter, diamond, shatter, terp sauce, wax), and topicals (roll-on, creams, oils, oral spray, path).

Phyto Extractions™ products are currently sold in the provinces of BC, AB, MB, SK and ON.



Figure 1 – Phyto Extractions Line Up of Concentrate Products and power cell.