

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

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

Adastra Holdings Ltd. (the “**Company**”)  
5451 – 275 Street  
Langley, BC V4W 3X8

**Item 2. Date of Material Change**

February 17, 2023

**Item 3. News Release**

The news release was issued and disseminated via Accesswire on February 22, 2023 and filed on SEDAR at [www.sedar.com](http://www.sedar.com).

**Item 4. Summary of Material Change**

The Company announced it has received approval from Health Canada on February 17, 2023 for its amendment to include cocaine as a substance that the Company can legally possess, produce, sell and distribute.

The Company received its Controlled Drug and Substances Dealer’s License (“**Dealer’s License**”) on August 24, 2022. The Dealer’s License also allows the Company to possess, produce, sell and distribute up to 1,000 grams of psilocybin and psilocin.

The amended license allows the Company to interact with up to 250 grams of cocaine and to import coca leaves to manufacture and synthesize the substance.

**Item 5. Full Description of Material Change**

**5.1 Full Description of Material Change**

The material change is fully described in Item 4 above and in the news release which has been filed on SEDAR.

**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**

None.

**Item 8. Executive Officer**

Michael Forbes, CEO, Corporate Secretary and Director  
Telephone: (778) 715-5011

**Item 9. Date of Report**

February 23, 2023