

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

Item 1 Name and Address

Happy Gut Brands Limited (the “**Company**”)
800-1199 West Hastings Street
Vancouver, BC V6E 3T5

Item 2 Date of Material Change

May 18,2022

Item 3 News Release

The news release related to the Material Change was disseminated on May 18,2022 on Stockwatch and subsequently filed on SEDAR.

Item 4 Summary of Material Change

The Company announced Mr. Stephen Horgan has elected to resign as a director of the Company effective immediately. As a successor to Mr. Horgan, the Company appointment of Mr. Nima Bahrami to the Company’s board of directors.

Item 5 Full Description of Material Change

See attached news release.

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

This Report is not being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102.

Item 7 Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer

Geoff Balderson, CFO is knowledgeable about the material change and the Report and may be contacted at 236-521-0626.

Item 9 Date of Report

May 18,2022

HAPPY GUT BRANDS

CSE: HAPY
OTCQB: HPYGF
FWB OI5, WKN: A2QK6P

NEWS RELEASE

Happy Gut Brands Announces Appointment of Nima Bahrami, CEO of Dairy Alternative Company bettermoo(d), to Board of Directors

Vancouver, British Columbia, Canada – May 18, 2022 – **Happy Gut Brands Limited** (CSE: **HAPY**), (OTCQB: **HPYGF**), (Frankfurt: **OI5**, WKN: **A2QK6P**) (the “**Company**” or “**Happy**”), formerly known as Happy Supplements Inc., an innovative beverage company focused on delivering high quality beverages through both online and local market retailers, announces that Mr. Stephen Horgan has elected to resign as a director of the Company effective immediately. As a successor to Mr. Horgan, the Company is pleased to announce the immediate appointment of Mr. Nima Bahrami to the Company’s board of directors. The Company would like to thank Mr. Horgan for his contribution and wish him well in his future endeavors.

Nima Bahrami

Mr. Bahrami is a successful entrepreneur whose professional career has been focused in the areas of natural health, and finance. He has geared much of his professional career to focus on business development and strategic planning, and the successful integration of health and wellness product lines with publicly traded companies. In his roles Mr. Bahrami has delivered substantial strategic and operational progress, delivering value for stakeholders, while developing a distinct and cohesive culture, focused on customer care and service. Mr. Bahrami holds an MBA from Cardiff University.

Mr. Bahrami is also a Director for Blender Bites Limited an award-winning Canadian publicly traded plant-based functional food company, as well as the CEO of bettermoo(d) Holdings Corp. (“**bettermoo(d)**”), Happy Gut Brand’s wholly-owned vegan dairy alternative company.

Nima has led all business development and operational aspects of bettermoo(d), and his success will be value-added to the implementation and execution of Happy’s strategic business plan and future growth.

“As CEO of our most successful subsidiary bettermoo(d), Nima has demonstrated impressive business acumen and professionalism. Under his stewardship, bettermoo(d) has garnered significant brand awareness, incorporated applauded technological advancements, and has developed a product that we believe will rival some very well-known competitors in the vegan and plant-based dairy markets. Since the bettermoo(d) acquisition, Happy has witnessed an increase in investor awareness. As bettermoo(d)’s CEO, Nima has played a direct and significant role in this uptake. We are thrilled to have Nima join the Company in the official capacity as a board member, and we look forward to mirroring some of his successes within our parent company,” stated Steven Pear, Happy Gut Brands’ CEO.

HAPPY GUT BRANDS

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ABOUT HAPPY GUT BRANDS LIMITED

Happy Gut Brands is an innovative beverage company focused on delivering high quality beverages, both online and through local market retailers. Happy Supplements utilizes social media to deliver educational experiences with their customer base while demonstrating their innovative beverage technology.

ON BEHALF OF THE BOARD OF DIRECTORS

Steve Pear
Chief Executive Officer and Director
Happy Gut Brands Limited

For further information please contact:

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Phone: 1-855-715-1865

The CSE does not accept responsibility for the adequacy or accuracy of this release.

This news release may contain certain forward looking statements and forward looking information (collectively, "Forward-Looking Statements") within the meaning of the applicable Canadian and U.S. securities laws, including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included herein including, without limitation, statements with respect to the Company's future growth and successful implementation of strategic plans, resulting from the appointment of new directors, are forward-looking statements. When or if used in this news release, the words "anticipate", "believe", "estimate", "expect", "target", "plan", "forecast", "may", "schedule" and similar words or expressions identify forward-looking statements or information. Such statements represent the Company's current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social risks, contingencies and uncertainties. Many factors, both known and unknown, could cause results, performance, or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements. The Company does not intend, and does not assume any obligation, to update these forward-looking statements or information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements and information other than as required by applicable laws, rules and regulations.