

Form 51-102F3

Material Change Report

Item 1 Name and Address of Company

HYTN Innovations Inc. (the “**Company**”)
12 E. 4th Avenue
Vancouver, BC V5T 1E8

Item 2 Date of Material Change

(i) February 15, 2022, (ii) February 18, 2022, and (iii) February 22, 2022.

Item 3 News Release

The Company issued news releases through (i) Stockwatch on February 15, 2022, (ii) through Stockwatch and GlobeNewswire on February 18, 2022, and (iii) through Stockwatch and GlobeNewswire on February 22, 2022.

Item 4 Summary of Material Change

On February 15, 2022, the Company entered into a definitive agreement, contemplating its previously announced acquisition (the “Reverse Take-Over”) of all the outstanding securities of HYTN Beverage Corp. (“HYTN”). The Company also announced entering into a definitive agreement, contemplating the amalgamation of MMO Merger Holdings Inc., a wholly-owned subsidiary of the Company, with 1306562 B.C. Ltd. (the “Amalgamation”, and together with the “Reverse Take-Over”, the “Transactions”).

On February 18, 2022, the Company completed the Transactions and changed its name to “HYTN Innovations Inc.”. Following completion of the Transactions, the Company will carry on the business of HYTN.

On February 22, 2022, the common shares of the Company (the “Common Shares”) began trading on the Canadian Securities Exchange under the symbol “HYTN” on February 22, 2022. The Common Shares had previously been delisted from the TSX Venture Exchange.

Item 5 Full Description of Material Change

See the news releases attached hereto in Schedules “A”, “B”, and “C”.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

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

Item 8 Executive Officer

Elliot McKerr
Chief Executive Officer

elliott.mckerr@hytn.life
(866) 590-9289 Ext: 103

Item 9 Date of Report

February 22, 2022.

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SCHEDULE A



MOUNT DAKOTA ENERGY CORP.

363 West 6th
Avenue
Vancouver, BC
V5Y 1L1
Tel: (604) 689-2454

FOR IMMEDIATE RELEASE

Mount Dakota Energy Corp. Enters into Definitive Agreements for Reverse Take-Over and Amalgamation

February 15, 2022 – Vancouver, British Columbia. Mount Dakota Energy Corp. (TSXV: MMO.H) (the “**Company**”) announces, further to its news releases dated July 12, 2021 and February 11, 2022, that it has entered into a securities exchange agreement (the “**Securities Exchange Agreement**”) with HYTN Beverage Corp. (“**HYTN**”) and the securityholders of HYTN, pursuant to which the Company will purchase all of the outstanding securities of HYTN in exchange for common shares of the Company (“**Common Shares**”) and common share purchase warrants of the Company issued on a one-for-one basis to the former securityholders of HYTN (the “**Reverse Take-Over**”). In addition, the Company has entered into an amalgamation agreement (the “**Amalgamation Agreement**”) with 1306562 B.C. Ltd. (“**Numberco**”) and MMO Merger Holdings Inc., a wholly-owned subsidiary of the Company (“**Subco**”), pursuant to which Numberco and Subco have agreed to amalgamate under the *Business Corporations Act* (British Columbia) with the resulting entity (“**Amalco**”) continuing as a wholly-owned subsidiary of the Company (the “**Amalgamation**”, and together with the Reverse Take-Over, the “**Transactions**”).

The Transactions are expected to constitute a change of business for the Company, with the Company carrying on with the development and launch of HYTN’s sparking tetrahydrocannabinol and cannabidiol beverage business.

It is expected that on closing of the Transactions, the Company will change its name from “Mount Dakota Energy Corp.” to “HYTN Innovations Inc.” The Company has received conditional approval to list the Common Shares on the Canadian Securities Exchange (the “**CSE**”) under the symbol “HYTN”. Listing of the Common Shares will be subject to the Company completing the Transactions and satisfying all the listing requirements of the CSE. Closing of the Transactions is subject to the satisfaction of customary closing conditions.

Reverse Take-Over

Pursuant to the Securities Exchange Agreement, the Company has agreed to purchase the outstanding securities of HYTN in exchange for the issuance of an aggregate of 15,532,000 Common Shares and 2,532,000 common share purchase warrants to the former securityholders of HYTN, with each such warrant exercisable to acquire one Common Share at a price of \$0.50 per share until February 1, 2023. In addition, the Company has agreed to issue an aggregate of 10,000,000 performance warrants (“**Performance Warrants**”) to certain members of the proposed incoming management team, with each Performance Warrant exercisable upon vesting to acquire one Common Share at a price of \$0.05 per share for a period of five years from the date of issuance. One-half of the Performance Warrants will vest and become exercisable upon the Company achieving revenue of \$5,000,000 over a 12-month period following closing of the Reverse Take-Over, with the remaining 50% vesting and becoming exercisable upon the Company achieving revenue of \$8,000,000 over a 12-month period following closing of the Reverse Take-Over.

Amalgamation

Pursuant to the Amalgamation Agreement, all common shares of Numberco outstanding immediately prior to the Amalgamation (other than common shares of Numberco held by dissenting Numberco shareholders) will be exchanged on a one-for-one basis for Common Shares. There are currently 38,968,920 outstanding common shares of Numberco. The 24,984 Numberco common purchase warrants outstanding immediately prior to the Amalgamation will also be exchanged for an equal number of common share purchase warrants of the Company, with each such warrant exercisable to acquire one Common Share at a price of \$0.50 per share until September 10, 2022.

Debt Settlement

Prior to closing of the Transactions, the Company is expected to settle debt with certain creditors of the Company in the amount of \$1,782,474 through the issuance of 5,092,782 Common Shares at a deemed price of \$0.35 per share (the “**Debt Settlement**”). The Common Shares issued pursuant to the Debt Settlement will be subject to resale restrictions in accordance with applicable securities laws.

About HYTN

HYTN is a craft-inspired cannabis company founded to provide consumers unparalleled cannabis experiences through the research, production, marketing, distribution and sale of premium quality cannabis products. HYTN focuses on producing premium cannabis products for recreational consumers throughout Canada, utilizing its purpose-built processing facilities located in the City of Kelowna in the Okanagan Valley Region of British Columbia, Canada. HYTN is currently focused on taking raw cannabinoid distillate and researching, producing, marketing and distributing premium cannabis products.

ON BEHALF OF THE BOARD OF DIRECTORS

“S. John Kim”

S. John Kim
Director

Neither the Canadian Securities Exchange nor the TSX Venture Exchange (nor its Regulation Service Provider, as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Certain information contained herein may constitute forward-looking statements that involve risks and uncertainties. Readers are cautioned not to place undue reliance on forward-looking statements, including, but not limited to, statements regarding the Transactions, the Debt Settlement and the listing of the Common Shares on the CSE, including statements regarding the anticipated timing of and the satisfaction of closing conditions and receipt of regulatory approvals for the Transactions, Debt Settlement and listing of the Common Shares on the CSE. Factors that could cause actual results to vary from forward-looking statements or may affect the operations, performance, development and results of the Company's business include, among other things, the ability of the parties to satisfy the conditions to closing of the Transactions in a timely manner; the ability of the Company to receive all regulatory approvals in a timely manner; risks and assumptions associated with the Transactions; the realization of the anticipated benefits of the Transactions; the Company's ability to generate sufficient cash flow from operations to meet its current and future obligations; the Company's ability to access sources of debt and equity capital; competitive factors, pricing pressures and supply and demand in the Company's industry; general economic and business conditions; and the effects and impacts of the COVID-19 pandemic, the extent and duration of which are uncertain at this time, on the Company's business and general economic and business conditions and markets. Any statements that are not statements of historical fact are deemed to be forward-looking statements. The forward-looking statements contained in this news release are made as of the date of this news release, and, except to the extent required by applicable law, the Company assumes no obligation to update or revise forward-

looking statements made herein or otherwise, whether as a result of new information, future events, or otherwise. The forward-looking statements contained in this news release are expressly qualified by this cautionary note.

SCHEDULE B



Mount Dakota Energy Corp. Announces Completion of Business Combinations and Name Change to “HYTN Innovations Inc.”

February 18, 2022 – Vancouver, British Columbia. HYTN Innovations Inc. (formerly, Mount Dakota Energy Corp.) (the “**Company**”) announces, further to its news releases dated July 12, 2021, February 11, 2022 and February 15, 2022, that it has completed its previously announced acquisition (the “**Reverse Take-Over**”) of all the outstanding securities of HYTN Beverage Corp. (“**HYTN**”). The Company also announces completion of the previously announced amalgamation of MMO Merger Holdings Inc., a wholly-owned subsidiary of the Company, with 1306562 B.C. Ltd. (the “**Amalgamation**”, and together with the “**Reverse Take-Over**”, the “**Transactions**”). In connection with the Transactions, the Company has changed its name to “HYTN Innovations Inc.”. The common shares of the Company (the “**Common Shares**”) have been delisted from the TSX Venture Exchange and are expected to begin trading on the Canadian Securities Exchange (the “**CSE**”) under the symbol “HYTN” on February 22, 2022.

Following completion of the Transactions, the Company will carry on the business of HYTN. HYTN is a manufacturer of premium cannabis products, with specialized expertise in the formulation, quality control, and regulatory approval of cannabinoid-based nano-emulsions that deploy its proprietary Elevation Technology® to deliver products with rapid, predictable, and stackable effects. HYTN manufactures its products from its purpose-built facility located downtown in the city of Kelowna, in the Okanagan Valley of British Columbia.

Elliot McKerr, Chief Executive Officer, and Jason Broome, Chief Operating Officer, issued the following statement: *“Thank you to our entire team. We are grateful for the unwavering support of all our stakeholders through our formulation, development, facility build, licensing and successful public offering. We plan to continue our focus on innovative products that meet our exacting quality standards of “consistent”, “natural”, and “delicious”, and most importantly exceed our consumers’ expectations. Our public listing will provide us with the support needed to rapidly expand our market share and scale to the level our products and customers deserve. We are excited to offer Canadian consumers cannabis products in a format that they are demanding that actually taste good!”*

Management

On closing of the Transactions, the leadership team of the Company was reconstituted and is currently composed of the following individuals:

- Elliot McKerr (Chief Executive Officer and Director)
- Jason Broome (Chief Operating Officer and Director)
- Paul More (Chief Financial Officer and Corporate Secretary)
- Eli Dusenbury (Director)
- Vic Neufeld (Director)
- Dennis Staudt (Director)

Transaction Summary

Reverse Take-Over

Pursuant to the terms of a securities exchange agreement dated January 31, 2022, the Company acquired the outstanding securities of HYTN in exchange for the issuance of an aggregate of 15,532,000 Common Shares and 2,532,000 common share purchase warrants to the former securityholders of HYTN, with each such warrant exercisable into one Common Share at a price of \$0.50 per share until February 1, 2023.

Amalgamation

Pursuant to the terms of an amalgamation agreement dated February 14, 2022, 1306562 B.C. Ltd. ("**Numberco**") and MMO Merger Holdings Inc., a wholly-owned subsidiary of the Company ("**Subco**"), amalgamated under the *Business Corporations Act* (British Columbia) with the resulting entity continuing as a wholly-owned subsidiary of the Company. The 38,968,920 common shares and 24,984 common share purchase warrants of Numberco outstanding immediately prior to the Amalgamation were exchanged on a one-for-one basis for Common Shares and common share purchase warrants of the Company, respectively, with each such warrant exercisable into one Common Share at a price of \$0.50 per share until September 10, 2022.

Debt Settlement

In connection with the Transactions, the Company settled debt with certain creditors of the Company in the amount of \$1,782,474 through the issuance of 5,092,782 Common Shares at a deemed price of \$0.35 per share (the "**Debt Settlement**"). The Common Shares issued pursuant to the Debt Settlement are subject to resale restrictions in accordance with applicable securities laws.

Equity Incentive Awards

The Company issued an aggregate of 10,000,000 performance warrants ("**Performance Warrants**") to certain members of the incoming management team in connection with the Reverse Take-Over, with each Performance Warrant exercisable upon vesting into one Common Share at a price of \$0.05 per share for a period of five years from the date of issuance. One-half of the Performance Warrants will vest and become exercisable upon the Company achieving revenue of \$5,000,000 over a 12-month period following closing of the Reverse Take-Over, with the remaining 50% vesting and becoming exercisable upon the Company achieving revenue of \$8,000,000 over a 12-month period following closing of the Reverse Take-Over. The Company has also issued 1,725,000 options ("**Options**") and 1,900,000 restricted share units ("**RSUs**") to directors, officers, employees and consultants of the Company. Each Option is exercisable upon vesting to acquire one Common Share at a price of \$0.35 per share until February 17, 2026, with 25% of the Options vesting three months from the date of issuance and an additional 25% vesting every three months thereafter. Each RSU is redeemable upon vesting for one Common Share, with 25% of the RSUs vesting three months from the date of issuance and an additional 25% vesting every three months thereafter.

About HYTN Innovations Inc.

HYTN formulates, manufactures, markets, and sells premium cannabis goods. With the mission to be the leading provider of consistent, natural, and delicious cannabis products, HYTN focuses its efforts on identifying category opportunities and takes an innovative approach to delivering elevated cannabis experiences to a discerning customer base.

ON BEHALF OF THE BOARD OF DIRECTORS

“Elliot McKerr”

Elliot McKerr

Director

The Canadian Securities Exchange (CSE) has not reviewed, approved or disapproved the contents of this press release.

Certain information contained herein may constitute forward-looking statements that involve risks and uncertainties. Readers are cautioned not to place undue reliance on forward-looking statements, including, but not limited to, statements regarding: (i) the anticipated timing and the receipt of regulatory approvals for the listing of the Common Shares on the CSE; (ii) the proposed business plans and operations of the Company; and (iii) the public listing providing HYTN with the support it needs to rapidly expand its market share and scale its products. Factors that could cause actual results to vary from forward-looking statements or may affect the operations, performance, development and results of the Company's business include, among other things, the ability of the Company to receive all regulatory approvals in a timely manner; risks and assumptions associated with the Transactions; the realization of the anticipated benefits of the Transactions; the Company's ability to generate sufficient cash flow from operations to meet its current and future obligations; the Company's ability to access sources of debt and equity capital; competitive factors, pricing pressures and supply and demand in the Company's industry; general economic and business conditions; and the effects and impacts of the COVID-19 pandemic, the extent and duration of which are uncertain at this time, on the Company's business and general economic and business conditions and markets. Any statements that are not statements of historical fact are deemed to be forward-looking statements. The forward-looking statements contained in this news release are made as of the date of this news release, and, except to the extent required by applicable law, the Company assumes no obligation to update or revise forward-looking statements made herein or otherwise, whether as a result of new information, future events, or otherwise. The forward-looking statements contained in this news release are expressly qualified by this cautionary note.

SCHEDULE C



HYTN Innovations Commences Trading on Canadian Securities Exchange under “HYTN”

February 22, 2022 – Vancouver, British Columbia. HYTN Innovations Inc. (formerly Mount Dakota Energy Corp.) (CSE: HYTN) (“**HYTN**” or the “**Company**”) began trading today on the Canadian Securities Exchange (the “**CSE**”) under the symbol “HYTN” following its reverse takeover transaction with HYTN Beverage Corp. and amalgamation between its wholly-owned subsidiary MMO Merger Holdings Inc. and 1306562 B.C. Ltd.

“This is an exciting day for all of us at HYTN,” says CEO Elliot McKerr. “Thanks to the support of our entire team we are well positioned to execute on our strategy. We are looking forward to sharing our consistent, natural, and delicious products with even more consumers and building lasting value for all our stakeholders.”

About HYTN Innovations Inc.

HYTN formulates, manufactures, markets, and sells premium cannabis goods. With the mission to be the leading provider of consistent, natural, and delicious cannabis products, HYTN focuses its efforts on identifying category opportunities and takes an innovative approach to delivering elevated cannabis experiences to a discerning customer base.

ON BEHALF OF THE BOARD OF DIRECTORS

“Elliot McKerr”

Elliot McKerr
Director

For more information, please contact:
Investor Relations
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(866) 590-9289

The CSE has not reviewed, approved or disapproved the contents of this press release.

This news release contains “forward-looking information” within the meaning of applicable securities laws relating to the Company’s business plans and the outlook of the Company’s industry. Although the Company believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate, that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. Actual results and developments may differ materially from those contemplated by these statements. The statements in this press release are made as of the date of this release and the Company assumes no responsibility to update them or revise them to reflect new events or circumstances other than as required by applicable securities laws. The Company undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of the Company, its subsidiaries, their securities, or their respective financial or operating results (as applicable).