

CHINOOK TYEE INDUSTRY LIMITED

MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Chinook Tyee Industry Limited
224 5th Avenue West
Vancouver, British Columbia V5Y 1J4

Item 2: Date of Material Change

June 12, 2019

Item 3: News Release

On June 13, 2019, Chinook Tyee Industry Limited (the "**Company**") issued a news release through the facilities of Cision PR Newswire, disclosing the material change.

Item 4: Summary of Material Change

On June 13, 2019, the Company announced that it had completed a non-brokered private placement (the "**Private Placement**") of Class A Voting Common Shares Without Par Value in the capital of the Company (the "**Common Shares**"), raising aggregate gross proceeds of \$1,500,000.

Item 5: Full Description of Material Change

On June 13, 2019, the Company announced that it had completed the Private Placement, raising aggregate gross proceeds of \$1,500,000.

Pursuant to the Private Placement, the Company issued an aggregate of 10,000,000 Common Shares at a subscription price of \$0.25 per Common Share. The Common Shares will be subject to a four-month hold period, which will expire on October 13, 2019.

In connection with the Private Placement, the Company paid a cash finder's fee of \$16,189.25 and issued 107,928 finder's warrants (each, a "**Finder's Warrant**") to PI Financial Corp., and paid a cash finder's fee of \$19,845.00 and issued 132,300 Finder's Warrants to General Research GmbH. Each Finder's Warrant entitles the finder to acquire one additional Common Share at a price of \$0.15 for a period of six months from the date of issuance.

The Private Placement constitutes a related party transaction within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* ("**MI 61-101**"), as insiders of Chinook subscribed for an aggregate of 2,476,842 Common Shares for gross proceeds of \$371,526.30. Chinook is relying on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in Sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Private Placement by insiders did not exceed 25% of the market capitalization of Chinook, as determined in accordance with MI 61-101. Chinook did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Private Placement as the details of the participation by related parties of Chinook were not settled until shortly prior to the closing of the Private Placement.

The Company intends to use the proceeds of the Private Placement for management fees and working capital purposes.

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

The following senior officer of the Company is knowledgeable about the material change and this report:

Alex Blodgett
Chief Executive Officer
1 (236) 833-1602.

Item 9: Date of Report

June 13, 2019