

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

**Item 1 Name and Address of Company**

Britannia Life Sciences Inc. ("**Britannia**" or the "**Corporation**")  
120 Adelaide Street West, Suite 2400  
Toronto, Ontario  
M5H 1T1

**Item 2 Date of Material Change**

January 5, 2022

**Item 3 News Release**

A news release with respect to the material change referred to in this report was issued and filed by the Company on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") on January 5, 2022.

**Item 4 Summary of Material Change**

On January 5, 2022, Britannia entered into an agreement with Mark Richard Bowes-Cavanagh, Claire Suzanne Bowes-Cavanagh, Jonathan Bird Sumner and Robert Sumner (each a "**Noteholder**", collectively the "**Noteholders**"), to extend the due date of the sellers' note agreement between Britannia Bud Canada Holdings Inc. ("**Britannia Bud**") and the Noteholders (the "**Sellers' Note Agreement**") to February 28, 2022.

On December 23, 2021, Britannia repaid £1,551,032.57 in principal amount owing under the Sellers' Note to the Noteholders.

The Noteholders have agreed to extend the due date for the amount of indebtedness outstanding under the Sellers' Note Agreement to February 28, 2022. Britannia has issued 3,000,000 common shares of Britannia ("**Common Shares**") to Mark Bowes-Cavanagh as consideration for his services in securing such extension.

**Item 5 Full Description of Material Change**

On January 5, 2022, Britannia entered into an agreement with the Noteholders to extend the due date of the Sellers' Note Agreement to February 28, 2022.

Britannia Bud and the Noteholders entered into a share purchase agreement dated March 10, 2020, wherein Britannia Bud acquired 60% of the issued share capital of Advanced Development and Safety Laboratories (United Kingdom) ("**ADSL**"), which includes optionality to purchase the remaining 40% interest in ADSL (the "**ADSL Purchase Agreement**") from the Noteholders who have retained ownership of the 40% interest. Completion payments in relation to this agreement were made on February 9, 2021. Upon completion of the transaction and in connection to this agreement, the Noteholders entered into the Sellers' Note Agreement on February 9, 2021, as amended on June 15, 2021 pursuant to which the Noteholders agreed to loan the sum of £4,456,812.58 to

Britannia Bud, at an initial interest rate of 6% per annum, which increased to 10% from June 1, 2021, in connection with the amendment on June 15, 2021.

On February 9, 2021, Britannia additionally agreed to purchase an additional 10% of the ADSL, in accordance with a portion of the optionality rights established in the original ADSL Purchase Agreement. The outside date on the completion of the exercise of the option and payment of the purchase price is May 11, 2022.

On December 23, 2021, Britannia repaid £1,551,032.57 in principal amount owing under the Sellers' Note to the Noteholders.

The Noteholders have agreed to extend the due date for the amount of indebtedness outstanding under the Sellers' Note Agreement to February 28, 2022. Britannia has issued 3,000,000 Common Shares to Mark Bowes-Cavanagh as consideration for his services in securing such extension.

#### *Related Party Participation*

Mark Bowes-Cavanagh, Chief Technical Officer of Britannia, was issued 3,000,000 Common Shares by Britannia as consideration for his services in securing the extension of the Sellers' Note Agreement (the "**Issuance**"). Prior to the Issuance, Mr. Bowes-Cavanagh held 15,600,000 Common Shares and 1,960,000 options of Britannia ("**Options**"), representing approximately 9.8% of the issued and outstanding Common Shares prior to the Issuance (approximately 10.9% on a partially diluted basis). Subsequent to the Issuance, Mr. Bowes-Cavanagh holds 18,600,000 Common Shares and 1,960,000 Options, representing approximately 11.5% of the issued and outstanding Common Shares immediately following the Issuance (approximately 12.6% on a partially diluted basis).

Mark Bowes-Cavanagh is a "related party" of Britannia within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). As such, the extension of the Sellers' Note Agreement and the issue of the common shares in satisfaction of the extension fee, each constitute a "related party transaction" within the meaning of MI 61-101. The Corporation has filed this material change report on SEDAR ([www.sedar.com](http://www.sedar.com)) under its issuer profile to provide disclosure in relation to the "related party transaction". The Corporation did not file the material change report more than 21 days before the expected closing date of the Issuance as the details of the issuance to Mr. Bowes-Cavanagh were not settled until shortly prior to the Issuance, and the Corporation wished to close the Issuance on an expedited basis for sound business reasons. Britannia is relying on the exemptions from the formal valuation and minority approval requirements under MI 61-101. Britannia is exempt from the formal valuation and minority approval requirements of MI 61-101 in reliance on sections 5.5(a) and 5.7(1)(a) of MI 61-101 as the fair market value of the transaction, insofar as it involves related parties, is not more than the 25% of Britannia's market capitalization.

**Item 6                    Reliance of subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7                    Omitted Information**

Not applicable.

**Item 8      Executive Officer**

Peter Shippen  
Chief Executive Officer  
Britannia Life Sciences Inc.  
416 930-7711

**Item 9      Date of Report**

January 6, 2022