

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Vireo Health International, Inc.
207 South 9th Street
Minneapolis, Minnesota
55402

Item 2. Date of Material Change

March 31, 2021.

Item 3. News Release

A news release in respect of the material change was disseminated on March 31, 2021.

Item 4. Summary of Material Change

On March 31, 2021, Vireo Health International, Inc. (the “**Company**”) entered a mutual release (the “**Mutual Release**”) with Bruce Linton, the Company’s former Executive Chairman, relating to all outstanding matters between them.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

The Company entered into the Mutual Release with Bruce Linton, the Company's former Executive Chairman, relating to all outstanding matters between them.

Mr. Linton joined Vireo in November of 2019. On June 8, 2020, the Company elected to terminate its employment agreement with Mr. Linton as Executive Chairman, on an entirely without-cause basis. In connection with Mr. Linton's employment agreement, Mr. Linton received warrants (the “**Warrants**”) to acquire up to 15 million subordinate voting shares (each, a “**Share**”) in the Company. 10 million of the Warrants (the “**First Tranche Warrants**”) have an exercise price of US\$1.02 per Share.

As part of the Mutual Release, Vireo has issued 8,000,000 Shares to Mr. Linton. 7,110,381 Shares were issued to Mr. Linton pursuant to the exercise of the First Tranche Warrants on a cashless basis. The remaining 889,519 Shares were issued to Mr. Linton pursuant to a private placement exemption resulting in no cash consideration being paid to Vireo. The Shares issued pursuant to the First Tranche Warrants are free of trading restrictions and the 889,519 Shares are subject to a hold period expiring on August 1, 2021. In addition, as part of the Mutual Release, Mr. Linton has surrendered all right, title and interest in all other Warrants for cancellation.

The following supplementary information is provided in accordance with Section 5.2 of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”).

(a) a description of the transaction and its material terms:

See Item 5.

(b) the purpose and business reasons for the transaction:

The purpose of the Mutual Release was to settle all outstanding matters between the Company and Bruce Linton.

(c) the anticipated effect of the transaction on the issuer's business and affairs:

No material effect anticipated.

(d) a description of:

(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:

Prior to the date of the Mutual Release, Bruce Linton had beneficial ownership of, or exercised control or direction over, nil Shares and Warrants to purchase up to 15,000,000 Shares, representing approximately 18.9% of the Shares then issued and outstanding, assuming the full exercise of the Warrants.

(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:

After giving effect to the transaction contemplated in the Mutual Release, Bruce Linton had beneficial ownership of, or exercised control or direction over, 8,000,000 Shares and nil Warrants, representing approximately 11.1% of the issued and outstanding Shares on a non-diluted basis.

(e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:

The Mutual Release was approved by the directors of the Company. No special committee was established in connection with the transaction, and no materially contrary view or abstention was expressed or made by any director.

(f) a summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:

Not applicable.

(g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction:

(i) that has been made in the 24 months before the date of the material change report:

Not applicable.

(ii) the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:

Not applicable.

(h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:

Other than the Mutual Release, the Company did not enter into any agreement with an interested party or a joint actor with an interested party in connection with the transactions described herein. To the Company's knowledge, no related party to the Company entered into any agreement with an interested party or a joint actor with an interested party, in connection with the transactions described herein.

(i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:

The Company relied on the exemption from the valuation requirement and the minority approval requirement pursuant to subsections 5.5(a) and 5.7(a) of MI 61-101, respectively, as the securities did not represent more than 25% of the Company's market capitalization, as determined in accordance with MI 61-101.

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

Not applicable.

Item 8. Executive Officer

Kyle Kingsley, Chief Executive Officer
Telephone: 1 844 484-7366

Item 9. Date of Report

March 31, 2021.