

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

**Item 1 Name and Address of Company**

Empower Clinics Inc. (the "Company")  
505-1771 Robson Street  
Vancouver, BC V6G 1C9

**Item 2 Date of Material Change**

March 07, 2023

**Item 3 News Release**

The news release, dated March 07, 2023 was disseminated through Accesswire.

**Item 4 Summary of Material Change**

**EMPOWER CLINICS INC. (CSE:EPW)(OTC PINK:EPWCF) ("Empower" or the "Company")**, an integrated healthcare company with developing research and clinical trials divisions is pleased to announce that its previously announced LOI ([See News February 7, 2023](#)) to create and operate a Dallas-based Site Management Organization ("SMO") that provides clinical trial management services for the Biotech and Pharmaceutical Industries, has rapidly accelerated in the first 30 days with the official formation of a Joint Venture ("JV") company in Delaware.

**Item 5 Full Description of Material Change**

*5.1 Full Description of Material Change*

A full description of the material change is provided in Item 4 above and in the attached news releases which is filed on SEDAR.

*5.2 Disclosure for Restructuring Transactions*

N/A

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

N/A

**Item 7 Omitted Information**

None

**Item 8 Executive Officer**

Steven McAuley  
Chief Executive Officer  
Telephone: 1-855-855-9058

**Item 9 Date of Report**

March 07, 2023

## **Empower Clinics Advances Partnership To Launch US Clinical Trial Management Services With Formation Of Delaware Based Company And Identification Of Principal Investigators**

*Partnership With Renowned Dr. Bharat Mocherla Rapidly Accelerates In First 30 Days With Formation Of Delaware Joint Venture Company And Identification Of 50+ Principal Investigator Candidates*

**VANCOUVER, BC / ACCESSWIRE / March 7, 2023 / EMPOWER CLINICS INC. (CSE:EPW)(OTC PINK:EPWCF) ("Empower" or the "Company")**, an integrated healthcare company with developing research and clinical trials divisions is pleased to announce that its previously announced LOI ([See News February 7, 2023](#)) to create and operate a Dallas-based Site Management Organization ("SMO") that provides clinical trial management services for the Biotech and Pharmaceutical Industries, has rapidly accelerated in the first 30 days with the official formation of a Joint Venture ("JV") company in Delaware.

The JV is a Delaware LLC between a U.S. Corporation owned by Empower (51%) and a Nevada LLC owned by Dr. Mocherla (49%) formed together as EPW Curesearch, LLC. ("JVCO")

Steven McAuley, Chairman and CEO of Empower stated *"This is a significant step forward in the first 30 days from first announcing our LOI with Dr. Mocherla and serves as a clear indication of our mutually shared intention to rapidly proceed forward with the business of operating a Site Management Organization. This intention is fueled by the fact that both Empower with its Dallas facility, clinics, patient management expertise and access to capital markets, and Dr. Mocherla with big pharma relations and research expertise, bring together the elements necessary to achieve scale in the massive and growing industry of clinical trial management services."*

### **ENGAGEMENT OF 50+ PRINCIPAL INVESTIGATOR CANDIDATES**

In addition to acceleration of the partnership at the corporate level, the operational side of the partnership has equally experienced rapid advancement with the identification and engagement of over 50 Principal Investigator (PI's) candidates.

PI's are practicing medical doctors who are specialists or internists with previous research and clinical trials experience. As such, they are integral to the success of any Site Management Organization (SMO) as follows:

- JVCO leverages the medical practice of the PI's and their patient rosters to generate new participants in active clinical trials and research.
- JVCO will provide oversight, direction and support to the PI's and their patients.
- JVCO will also act as a liaison between the pharmaceutical company and the assigned Contract Research Organization (CRO).
- Phase 3 & Phase 4 trials typically span two years in length and can be extended if the trial has not yet gathered enough data or has not been closed.

With the pharmaceutical and biotech industries expected to see strong growth and investment in R&D for new drugs well into the foreseeable future, Empower's presence in Dallas serves as the perfect hub to launch and scale JVCO under the guidance of Dr. Mocherla. Our proposed Dallas-based SMO is expected to generate 7-digit revenue from clinical trial management services for the pharmaceutical, biotechnology and medical device industries in 2023.

Moreover, in keeping with our original mission statement, the identification of PI's beyond Texas provides the foundation for launching additional SMO sites throughout the United States in 2023 for the purpose of rapidly growing JVCO, as well as, achieving our longer term goal of becoming a powerhouse to the Contract Research Organization ("CRO") healthcare segment.

The CRO Services Market in terms of revenue was estimated to be worth \$76.6 billion in 2023 and is poised to reach \$127.3 billion by 2028, growing at a CAGR of 10.7% from 2023 to 2028 according to a new report by MarketsandMarkets.<sup>1</sup> In recent years, the costs associated with drug and product development have increased significantly, driving pharma, biotech and medical device companies to look for partnerships to drive modernizations and smarter ways of conducting business.

## **NEXT STEPS**

Pursuant to the terms of the LOI, the Company and Dr. Mocherla intend and expect to complete a definitive agreement in which each party will provide US\$200,000 in seed capital for the JV. The Definitive Agreement is expected to include a right of first refusal providing Empower first right to purchase Las Vegas Medical Research (controlled by Dr. Mocherla) and providing Dr. Mocherla first right to purchase the Empower Interest. In connection with the transactions contemplated by the Definitive Agreement, Empower intends to issue 2 million common shares in the capital of Empower to Dr. Mocherla. At such time as the JV achieves US\$5,000,000 in revenue and subject to Empower's stock option plan and the policies of the Canadian Securities Exchange (the "CSE"), Empower intends to grant 750,000 incentive stock options to Dr. Mocherla with a five-year term.

The completion of the transactions contemplated in the LOI will be subject to various closing conditions, including satisfactory completion of financial and legal due diligence, entry into the Definitive Agreement on terms acceptable to the parties and receipt of all necessary third party approvals, including the approval of the CSE, if required.

This press release is available on the Empower Clinics Verified Forum on AGORACOM for shareholder discussion, questions and engagement with management <https://agoracom.com/ir/EmpowerClinics>

## **ABOUT EMPOWER:**

Empower Clinics as an integrated healthcare company is developing into a leading provider of clinical trials and research solutions in U.S and Canada. With its deep experience and operational expertise in laboratory diagnostics, medical devices and health clinic management, Empower is focused on offering clinical trial services - including clinical trial design, patient recruitment, data management and regulatory compliance for the pharmaceutical, biotechnology and medical device industries.

## **ON BEHALF OF THE BOARD OF DIRECTORS:**

Steven McAuley

Chief Executive Officer

## **CONTACTS:**

Media:

Steven McAuley CEO

[s.mcauley@empowerclinics.com](mailto:s.mcauley@empowerclinics.com)

+1 855-855-9058

Investors:

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<sup>1</sup> Markets and markets report March 2021 <https://www.marketsandmarkets.com/Market-Reports/contract-research-organization-service-market-167410116.html> reviewed February 6, 2023

Tamara Mason

Business Development & Communications

[t.mason@empowerclinics.com](mailto:t.mason@empowerclinics.com)

+1 855-855-9058

**DISCLAIMER FOR FORWARD-LOOKING STATEMENTS**

*This news release contains certain "forward-looking statements" or "forward-looking information" (collectively "forward looking statements") within the meaning of applicable Canadian securities laws. Statements other than statements of historical fact are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release, and include statements regarding the Company's ability to positively impact the integrated health of its patients while simultaneously providing long term value for shareholders. Forward-looking statements can frequently be identified by words such as "plans", "continues", "expects", "projects", "intends", "believes", "anticipates", "estimates", "may", "will", "potential", "proposed" and other similar words, or information that certain events or conditions "may" or "will" occur. Such statements are only projections, are based on assumptions known to management at this time, and are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the forward-looking statements, including: that the Company will be able to successfully operate numerous SMO's starting in Dallas, TX or operate any at all; that the Company can successfully recruit new principal investigators if at all; that proposed Dallas-based SMO will generate 7-digit revenue from clinical trial management services; that the Company's products may not work as expected; that legislative changes may have an adverse effect on the Company's business and product development; that the Company may not be able to obtain adequate financing to pursue its business plan; that general business, economic, competitive, political and social uncertainties; failure to obtain any necessary approvals in connection with any proposed transactions; and other factors beyond the Company's control. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Readers are cautioned not to place undue reliance on the forward-looking statements in this release, which are qualified in their entirety by these cautionary statements. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements in this release, whether as a result of new information, future events or otherwise, except as expressly required by applicable laws.*