

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

**Item 1 Name and Address of Company**

Pure Extracts Technologies Corp. (the “**Company**”)  
7341 Industrial Way, Unit 6  
Pemberton, BC V0N 2K0

**Item 2 Date of Material Change**

March 7, 2022

**Item 3 News Release**

The Company disseminated a news release dated March 8, 2022 through Global Newswire and a copy was subsequently filed on SEDAR.

**Item 4 Summary of Material Change**

The Company completed a non-brokered private placement offering (the “**Offering**”) of special warrants (each, a “**Special Warrant**”). In connection with the Offering, the Company issued an aggregate of 5,937,001 Special Warrants at a price of \$0.075 per Special Warrant, for aggregate gross proceeds of \$445,275. The Company also closed its offer to settle an aggregate of \$206,433 in debt owed to certain creditors (the “**Debt Settlement**”) in exchange for units (the “**Debt Units**”), which Debt Units have the same terms as the units to be issued on conversion of the Special Warrants, all as further described below. In addition, the Company granted incentive stock options to certain directors, officers and consultants to purchase an aggregate of 4,225,000 common shares in the capital of the Company.

**Item 5 Full Description of Material Change**

**5.1 Full Description of Material Change**

The Company completed the Offering on March 7, 2022. In connection with the Offering, the Company issued an aggregate of 5,937,001 Special Warrants at a price of \$0.075 per Special Warrant, for aggregate gross proceeds of \$445,275. The Company also closed the Debt Settlement and settled an aggregate of \$206,433 in debt owed to certain creditors in exchange for Debt Units, which Debt Units have the same terms as the units to be issued on conversion of the Special Warrants, all as further described below.

***Special Warrant Offering***

The Special Warrants will automatically convert to units (the “**Units**”) upon the earlier of the receipt for a prospectus qualifying the distribution of the Units or four months and a day from the closing date of the Offering. Each Unit will be comprised of one common share of the Company (each, a “**Common Share**”) and one Common Share purchase warrant (each, a “**Warrant**”). Each Warrant will entitle the holder to acquire one Common

Share (a “**Warrant Share**”) at an exercise price of \$0.15 per Warrant Share for a period of 24 months following the deemed exercise date of the Special Warrants.

Finder’s fees of \$14,169 cash and 188,930 finder’s warrants (each a “**Finder’s Warrant**”) were paid and issued in conjunction with the Offering. Each Finder’s Warrant entitles the holder thereof to purchase one common share of the Company (each a “**Finder’s Warrant Share**”) at an exercise price of \$0.15 per Finder’s Warrant Share until March 7, 2024.

All securities issued under the Offering will be subject to a statutory 4-month plus one day hold period, which expires on July 8, 2022, in accordance with applicable Canadian securities laws.

The Company intends to use net proceeds from the Offering primarily for the build-out of the Company’s Michigan, USA extraction facility and for general working capital.

The Company may elect to qualify the distribution of the Common Shares and Warrants issuable upon exercise of the Special Warrants by way of a supplement (“**Prospectus Supplement**”) to the Company’s short form base shelf prospectus dated March 4, 2021. The Company is under no obligation to file a Prospectus Supplement, and may elect to do so in its sole discretion. The Special Warrants and Warrants will not be listed on any stock exchange or over-the-counter market.

Three insiders of the Company subscribed for a total of 656,666 Special Warrants in connection with the Offering. Such participation is considered to be a “related party transaction” as defined under Multilateral Instrument 61-101 (“**MI 61-101**”). The transaction was exempt from the formal valuation and minority shareholder approval requirements of MI 61-101, as neither the fair market value of any securities issued to nor the consideration paid by such persons exceeded 25% of the Company’s market capitalization

### ***Debt Settlement***

Pursuant to the Debt Settlement, the Company has issued 2,752,448 Debt Units for a total debt settlement of \$206,433. Debt settled by insiders of the Company accounted for 1,035,073 Debt Units representing approximately \$77,630 of the Debt Settlement. Such participation constituted a “related party transaction” within MI 61-101. The issuance to the insiders is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as the fair market value of the securities issued, or the consideration paid by such persons, did not exceed 25% of the Company’s market capitalization.

All securities issued under the Debt Settlement will be subject to a statutory 4-month plus one day hold period, which expires on July 8, 2022, in accordance with applicable Canadian securities laws.

### ***Option Grant***

The Company also announces that it has granted incentive stock options to certain directors, officers, and consultants of the Company to purchase up to 4,225,000 common shares in the capital of the Company pursuant to the Company’s stock option plan. The options are exercisable on or before March 8, 2025 at an exercise price of \$0.075 per share. The grant of options is subject to regulatory approval.

The securities referred to in this material change report have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This material change report does not constitute an offer for sale of securities for sale, nor a solicitation for offers to buy any securities

**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**

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

**Item 8 Executive Officer**

Ben Nikolaevsky, CEO & Director,  
Tel: +1 (604) 343-2724

**Item 9 Date of Report**

March 15, 2022

*Cautionary Note Regarding Forward-Looking Information*

*This material change report contains certain forward-looking information, including about the proposed use of proceeds of the Offering, the filing of a Prospectus Supplement, and the receipt of CSE approval. Such information involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by statements herein, and therefore these statements should not be read as guarantees of future performance or results. All forward-looking statements are based on the Company's current beliefs as well as assumptions made by and information currently available to it as well as other factors. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this material change report. Due to risks and uncertainties, including the risks and uncertainties identified by the Company in its public securities filings, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*