

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

ITEM 1. Name and Address of Company

Nutritional High International Inc.  
77 King Street West, Suite 2905  
Toronto, Ontario M5K 1H1

ITEM 2. Date of Material Change

November 12, 2018

ITEM 3. News Releases

A press release in the form of Schedule A attached hereto was disseminated on November 12, 2018 via Globe Newswire.

ITEM 4. Summary of Material Change

Nutritional High International Inc. (the "**Company**" or "**Nutritional High**") (CSE: EAT, OTCQB: SPLIF, FRANKFURT:2NU) has announced that it has completed a sale and leaseback financing of certain equipment located at its La Pine, Oregon facility (the "**Equipment**") for gross proceeds of \$438,407 USD to Veterans Capital Fund II, LP (the "**Buyer**" or "**Veterans**"). In addition, Nutritional High issued 156,574 common share purchase warrants to the Buyer. The Equipment sold by the Company to the Buyer comprises substantially all of the equipment used by Nutritional High at the La Pine facility.

Pursuant to the agreement with the Buyer, the Company will continue to utilize the Equipment to process a wide range of products under its FLI brand, including its vape cartridges, syringes, and dab. Nutritional High will roll out FLI-branded cannabis-infused edibles including chocolate bars, shots, additional syringe offerings and other innovative products (collectively, the "**FLI Edibles**"). The FLI Edibles are expected to roll out in Q1 of 2019. The Company has successfully completed the first batch production for laboratory testing through the cold ethanol extraction equipment.

ITEM 5. Full Description of Material Change

5.1 Full Description of Material Change

See Schedule A attached.

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

The following officer of the Company may be contacted for further information:

David Posner,  
Co-Chairman of the Board  
Nutritional High International Inc.  
Tele 647-985-6727  
Email [dposner@nutritionalhigh.com](mailto:dposner@nutritionalhigh.com)

ITEM 9. Date of Report

This report is dated this 13<sup>th</sup> day of November, 2018.

## **NUTRITIONAL HIGH COMPLETES SALE AND LEASEBACK OF EQUIPMENT AT ITS LA PINE OREGON FACILITY**

### ***FOR IMMEDIATE RELEASE***

Toronto, Ontario – November 12, 2018 – Nutritional High International Inc. (“**Nutritional High**” or the “**Company**”) (CSE: **EAT**, OTCQB: **SPLIF**, FRANKFURT: **2NU**) is pleased to announce that it has completed a sale and leaseback financing of certain equipment located at its La Pine, Oregon facility (the “**Equipment**”) for gross proceeds of \$438,407 USD to Veterans Capital Fund II, LP (the “**Buyer**” or “**Veterans**”). In addition, Nutritional High issued 156,574 common share purchase warrants (each, a “**Warrant**”) to the Buyer. Each Warrant entitles the Buyer to purchase one common share in the capital of the Company (a “**Common Share**”) at a price of \$0.70 CDN per Common Shares for a period of 24 months from the date of issuance. The Equipment sold by the Company to the Buyer comprises substantially all of the equipment used by Nutritional High at the La Pine facility.

Pursuant to the agreement with the Buyer, the Company will continue to utilize the Equipment to process a wide range of products under its FLI brand, including its vape cartridges, syringes, and dab. Nutritional High will roll out FLI-branded cannabis-infused edibles including chocolate bars, shots, additional syringe offerings and other innovative products (collectively, the “**FLI Edibles**”). The FLI Edibles are expected to roll out in Q1 of 2019. The Company has successfully completed the first batch production for laboratory testing through the cold ethanol extraction equipment.

Located in the City of La Pine, 30 miles from scenic Bend, Oregon, the facility is comprised of three contiguous parcels of land totaling and aggregate of 18,295 square feet (0.42 acres) with 4,662 square feet of manufacturing and office space and 540 square feet of mezzanine storage space. Nutritional High completed the facility build-out and was granted a Marijuana Processor License for the facility by the Oregon Liquor Control Commission in early September 2018. With the expansion and development of the facility, the Company is well situated to serve the Portland market as well as smaller centers across the state.

Jim Frazier, CEO of Nutritional High, commented, “The leaseback gives us the flexibility and additional capital to better serve the La Pine Facility, as well as other Nutritional High operations, potential investments and partnerships as the Company grows. We are very excited about the development and production in Oregon and look forward to introducing our flagship FLI-branded products into the state in November.”

### **About Nutritional High International Inc.**

Nutritional High is focused on developing, manufacturing and distributing products under recognized brands in the cannabis products industry, with a specific focus on edibles and oil extracts for medical and adult recreational use. The Company works exclusively with licensed facilities in jurisdictions where such activity is permitted and regulated by state law.

The Company follows a vertically integrated model with a fully developed strategy for acquisitions in extraction, production, sales, and distribution sectors of the cannabis industry. Nutritional High has

brought its flagship FLI™ edibles and extracts product line from production to market through its wholly owned subsidiaries in California and Oregon, as well as Colorado where its FLI™ products are manufactured by a third-party licensed producer. In California, the Company distributes its products and products manufactured by other leading producers through its wholly owned distributor Calyx Brands Inc. and is entering the Nevada, Washington State and Canadian markets in the near future.

For updates on the Company's activities and highlights of the Company's press releases and other media coverage, please follow Nutritional High on [Facebook](#), [Twitter](#), [Instagram](#) and [Google+](#) or visit [www.nutritionalhigh.com](http://www.nutritionalhigh.com).

### **About Veterans Capital Fund II, LP**

Veterans Capital Fund II, LP is designed to give sophisticated investors above average returns secured by income producing assets of early stage and emerging growth companies nationwide. Since 2007, Veterans have invested millions of dollars in a successful investment model called "Venture Lease" transactions. The fund's overall objective is to provide investors with the potential of a high-end yield over the investment period and investing in companies who are creating jobs and building a better world for all of us to live in.

### **For further information, please contact:**

**David Posner**

**Co-Chairman of the Board**

Nutritional High International Inc.

647-985-6727

Email: [dposner@nutritionalhigh.com](mailto:dposner@nutritionalhigh.com)

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*This news release may contain forward-looking statements and information based on current expectations. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. The statements relate to potential market expansion and the use of the proceeds of the Offering. Risks that may have an impact on the ability for these events to be achieved include completion of due diligence, negotiation of definitive agreements and receipt of applicable approvals. Although such statements are based on management's reasonable assumptions, there can be no assurance that such assumptions will prove to be correct. We assume no responsibility to update or revise them to reflect new events or circumstances.*

*The Company's securities have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or applicable state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. Persons", as such term is defined in Regulation S under the U.S. Securities Act, absent registration or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an*

*offer to buy nor shall there be any sale of the securities in the United States or any jurisdiction in which such offer, solicitation or sale would be unlawful.*

*Additionally, there are known and unknown risk factors which could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. All forward-looking information herein is qualified in its entirety by this cautionary statement, and the Company disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law. Some of the risks and other factors that could cause actual results to differ materially from those expressed in forward-looking information expressed in this press release include, but are not limited to: obtaining and maintaining regulatory approvals including acquiring and renewing U.S. state, local or other licenses, the uncertainty of existing protection from U.S. federal or other prosecution, regulatory or political change such as changes in applicable laws and regulations, including U.S. state-law legalization, market and general economic conditions of the cannabis sector or otherwise.*