

MATERIAL CHANGE REPORT

PURSUANT TO SECTION 7.1 OF NATIONAL INSTRUMENT 51-102 RESPECTING CONTINUOUS DISCLOSURE OBLIGATIONS

ITEM 1: **Name and Address of Company**

Terranueva Corporation (« **Terranueva** » or the « **Corporation** »)
255, Curé-Labelle Blvd., suite 204
Laval, Québec
H7L 2Z9

ITEM 2: **Date of Material Changes**

February 22 and 26, 2019.

ITEM 3: **News Release**

Press releases were issued in English and French by Terranueva on February 25 and 27, 2019. Copies of each version are attached hereto.

ITEM 4: **Summary of Material Changes**

The Corporation announces that its wholly-owned subsidiary, Terranueva Pharma Corporation, was awarded on February 22, 2019, cannabis cultivation, transformation and sale (medical) licences by Health Canada.

The also Corporation announces that it has raised \$278,743.04 from its rights offering.

ITEM 5: **Full Description of Material Changes**

Press release of February 25, 2019

The Corporation announce that its wholly-owned subsidiary, Terranueva Pharma Corporation, was awarded on February 22, 2019, cannabis cultivation, transformation and sale (medical) licences by Health Canada (the “Licences”). These Licences authorize Terranueva to produce, process and sell seeds and plants to wholesalers/distributors supplying the provincial and territorial cannabis retailers and/or individuals who have registered to obtain cannabis products for medical purposes (“registered patients”). Moreover, Terranueva may conduct related activities such as possession, transportation, storage, destruction, research and development and sell of bulk cannabis to other federal licence holders.

“The granting of these Licences to a wholly Quebec-based firm headquartered in Quebec is a great source of pride for us. These Licences are the cornerstones which will enable us to conclude the first phase of our plan and start the hybrid strain culture in our newly completed certification and research and development unit.” stated Pierre Ayotte, Chief Executive Officer of Terranueva. “Our shareholders will be pleased to know that we have obtained the first cultivation licence issued in Quebec since the entry into force of the new Cannabis Act, the 11th in Quebec. We are also in a select group of only three Quebec licensees who hold all the licences described above. We are pleased to be in a position to improve the supply of cannabis and start the cultivation of a high-standard product.” he added.

With these Licences, Terranueva can now begin an efficient production of cannabis at its state-of-the-art plant in L'Assomption, Quebec and pursue its efforts to obtain the sales rights of flowers, dried and oil cannabis categories.

Phase 2 of the business plan, consisting of designing and building the first modular production units on the 180,000 sq. ft. parcel of land in L'Assomption, is already underway. With its know-how, experience, clean room culture concepts and experiences that have led the company to be awarded the three licenses issued by Health Canada, the next step will be to validate the large-scale automated industrial production process to quickly begin the ascent towards strong profitability. According to Pierre Ayotte "Our performance to date clearly demonstrates that our risk management strategy has allowed us to move quickly and effectively into the Canadian cannabis market."

Terranueva plans to generate revenues in 2019. The Corporation's business plan aims to multiply these revenues quickly by adding modular production units over the next three years.

Rights offering

The rights offering announced in details in the press released dated October 30, 2018 ("Rights Offering") will expire on February 26, 2019, 17:00 p.m. at which time the Rights will expire (the "Expiry Time"). Rights that have not been exercised before the Expiry Time will be null and void.

Press release of February 27, 2019

The Corporation announces that it has raised \$278,743.04 from its rights offering (the "Rights"), which started on October 30, 2018, while holders have exercised Rights at \$0.64 each to acquire an aggregate of 435,536 common shares in the capital stock of Terranueva, of which none was subscribed by insiders of Terranueva. No stand-by commitment or additional subscription privilege had been agreed and no commission was payable as well. All unexercised Rights are now null and void. Terranueva currently has 32,832,161 common shares issued and outstanding.

ITEM 6: **Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

ITEM 7: **Omitted Information**

Not applicable.

ITEM 8 **Executive Officer**

For further information, please contact Mr. Pierre Monet, Chief Financial Officer, at (514) 883-8733.

ITEM 9: **Date of Report**

February 27, 2019.



TERRANUEVA

PRESS RELEASE

FOR IMMEDIATE RELEASE

TICKER: TEQ

FEBRUARY 25, 2019

Terranueva is awarded cultivation, transformation and sale (medical) licences from Health Canada

Montreal, QC – Terranueva Corporation (CSE: TEQ) (« Terranueva » or the « Corporation ») is proud to announce that its wholly-owned subsidiary, Terranueva Pharma Corporation, was awarded on February 22, 2019, in accordance with the new Cannabis Act, cultivation, transformation and sale (medical) licences by Health Canada (the « Licences »). These Licences authorize Terranueva to produce, process and sell seeds and plants to wholesalers/distributors supplying the provincial and territorial cannabis retailers and/or individuals who have registered to obtain cannabis products for medical purposes ("registered patients"). Moreover, Terranueva may conduct related activities such as possession, transportation, storage, destruction, research and development and sell of bulk cannabis to other federal licence holders.

«The granting of these Licences to a wholly Quebec-based firm headquartered in Quebec is a great source of pride for us. These Licences are the cornerstones which will enable us to conclude the first phase of our plan and start the hybrid strain culture in our newly completed certification and research and development unit. » stated Pierre Ayotte, Chief Executive Officer of Terranueva. « Our shareholders will be pleased to know that we have obtained the first cultivation licence issued in Quebec since the entry into force of the new Cannabis Act, the 11th in Quebec. We are also in a select group of only three Quebec licensees who hold all the licences described above. We are pleased

to be in a position to improve the supply of cannabis and start the cultivation of a high-standard product. » he added.

With these Licences, Terranueva can now begin an efficient production of cannabis at its state-of-the-art plant in L'Assomption, Quebec and pursue its efforts to obtain the sales rights of flowers, dried and oil cannabis categories.

Phase 2 of the business plan, consisting of designing and building the first modular production units on the 180,000 sq. ft. parcel of land in L'Assomption, is already underway. With its know-how, experience, clean room culture concepts and experiences that have led the company to be awarded the three licenses issued by Health Canada, the next step will be to validate the large-scale automated industrial production process to quickly begin the ascent towards strong profitability. According to Pierre Ayotte « Our performance to date clearly demonstrates that our risk management strategy has allowed us to move quickly and effectively into the Canadian cannabis market. »

Terranueva plans to generate revenues in 2019. The Corporation's business plan aims to multiply these revenues quickly by adding modular production units over the next three years.

Rights offering

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ABOUT TERRANUEVA

Terranueva relies on research and development and operational efficiency to become a key player in the emerging cannabis industry. It aims to provide the Canadian and international markets with first-rate medicinal and recreational cannabis.

Terranueva Pharma Corporation, its wholly owned subsidiary, holds the necessary licenses from Health Canada to meet its mission. Operating in L'Assomption (Quebec), its mission is to produce cannabis with the highest standards in terms of efficiency, quality and stability. To achieve its goal, Terranueva Pharma is implementing a modular production approach, integrating the latest advances and innovations in process automation.

Learn more about Terranueva at www.terraneuva.ca

CSE nor its services providers (as that terms defined in the policies) accept responsibility for the adequacy or accuracy of this press release.

For further information, please contact:

For Terranueva Corporation:

Pierre Monet, Chief financial officer
Téléphone : (514) 883-8733
pmonet@terranevea.ca



TERRANUEVA

COMMUNIQUÉ DE PRESSE

POUR DIFFUSION IMMÉDIATE

SYMBOLE BOURSIER : TEQ

LE 25 FÉVRIER 2019

Terranueva obtient ses licences de culture, transformation et vente (médical) de cannabis par Santé Canada

Montréal, QC – C’est avec fierté que Corporation Terranueva (CSE: TEQ) (« Terranueva » ou la « Société ») est heureuse d’annoncer que sa filiale en propriété exclusive, Corporation Terranueva Pharma, a obtenu, le 22 février 2019, des licences de culture, transformation et vente (médical) émises par Santé Canada en vertu du nouveau règlement d'application de la *Loi sur le cannabis* (les « Licences »). L’obtention de ces droits permettent à Terranueva de cultiver, transformer et de vendre des semences et des plants aux grossistes, aux distributeurs approvisionnant les détaillants provinciaux et territoriaux de cannabis et aux personnes qui se sont inscrites pour obtenir des produits de cannabis à des fins médicales (patients inscrits). De plus, Terranueva pourra exercer des activités connexes comme la possession, le transport, la destruction, la recherche et le développement ainsi que la vente de cannabis en vrac à d’autres titulaires de licences fédérales.

« L’octroi de ces Licences à une firme entièrement québécoise dont le siège social est situé au Québec est une grande source de fierté pour nous. Ces Licences sont les pierres angulaires qui nous permettent d’exécuter la première phase de notre plan qui consiste à amorcer la culture de souche hybride à notre unité de certification, recherche et développement dont la construction est terminée. » a déclaré Pierre Ayotte, Chef de la direction de Terranueva. « Nos actionnaires se réjouiront de savoir que nous avons

obtenu la première licence de culture délivrée au Québec depuis l'entrée en vigueur de la nouvelle *Loi sur le cannabis*, soit la 11^e au total au Québec. Nous sommes également dans un groupe sélect de seulement trois titulaires québécois qui détiennent les trois licences décrites ci-dessus. Nous pourrions ainsi contribuer à bonifier l'offre de cannabis et à démarrer la culture d'un produit de qualité. » a-t-il poursuivi.

Grâce à l'obtention de ces Licences, Terranueva peut amorcer dès maintenant une production efficiente de cannabis à son usine à la fine pointe de la technologie située à L'Assomption au Québec et ainsi poursuivre ses efforts pour obtenir des droits de ventes aux catégories de cannabis en fleur, séché et en huile.

La phase 2 de son plan d'affaires qui consiste à concevoir et construire les premières unités de production modulaires sur son terrain de 180 000 pi² est déjà amorcée. Fort de son savoir-faire, ses concepts de culture en salles blanches et ses expériences qui ont permis à la Société d'être titulaire de trois licences émises par Santé Canada, la prochaine étape consiste à valider le schéma industriel de production automatisé à grande échelle pour ainsi poursuivre rapidement l'ascension vers une forte rentabilité. Selon Pierre Ayotte « Notre performance à ce jour démontre clairement que notre gestion du risque nous a permis de nous hisser rapidement dans le marché canadien du cannabis. »

Terranueva prévoit générer des revenus en 2019. Le plan de développement de l'entreprise vise à multiplier ces revenus rapidement en ajoutant des unités de production modulaire au cours des trois prochaines années.

Placement de droits

Le placement de droits annoncé en détails dans le communiqué du 30 octobre 2018 (« Placement de Droits ») vient à échéance le 26 février 2019 à 17 heures (« Heure d'expiration »). Les Droits qui n'auront pas été dûment exercés avant l'Heure d'expiration seront nuls et sans valeur.

A PROPOS DE TERRANUEVA

Terranueva s'appuie sur la recherche et développement et l'efficacité opérationnelle pour devenir un acteur incontournable dans l'industrie émergente du cannabis. Nous visons à fournir aux marchés canadien et international du cannabis médicinal et récréatif de première qualité.

Corporation Terranueva Pharma, sa filiale détenue en propriété exclusive détient les licences nécessaires de Santé Canada pour exécuter sa mission. Opérant à L'Assomption (Québec), sa mission est de produire du cannabis aux normes les plus élevées en termes d'efficacité, de qualité et de stabilité. Pour atteindre son objectif, Terranueva Pharma

met en œuvre une approche de production modulaire intégrant les dernières avancées et innovations dans l'automatisation de ces processus.

Pour en savoir plus sur Terranueva, consulter www.terranevea.ca.

La CSE, et ses fournisseurs de services de réglementation (au sens attribué à ce terme dans ses politiques) n'assument aucune responsabilité quant à la pertinence ou à l'exactitude du présent communiqué.

Pour plus d'information, veuillez contacter :

Pour Corporation Terranueva:

Pierre Monet, Chef de la direction financière
Téléphone : (514) 883-8733
pmonet@terranevea.ca



TERRANUEVA

PRESS RELEASE

FOR IMMEDIATE RELEASE

SYMBOL: TEQ

FEBRUARY 27, 2019

TERRANUEVA RAISES \$278,750 FOLLOWING EXERCISE OF RIGHTS

MONTRÉAL, QUÉBEC – TERRANUEVA CORPORATION (“Terranueva”) announces that it has raised \$278,743.04 from its rights offering (the “Rights”), which started on October 30, 2018, while holders have exercised Rights at \$0.64 each to acquire an aggregate of 435,536 common shares in the capital stock of Terranueva, of which none was subscribed by insiders of Terranueva. No stand-by commitment or additional subscription privilege had been agreed and no commission was payable as well. All unexercised Rights are now null and void. Terranueva currently has 32,832,161 common shares issued and outstanding.

ABOUT TERRANUEVA

Terranueva has obtained on February 22, 2019, its cannabis cultivation, processing and sale (medical) licenses from Health Canada. Terranueva relies on research and development and operational efficiency to become a key player in the emerging cannabis industry. We aim to provide the Canadian and international markets with first-rate medicinal and recreational cannabis. Terranueva Pharma Corporation, its wholly-owned subsidiary, holds the necessary licenses from Health Canada to carry out its mission. Operating in L'Assomption (Québec), its mission is to produce cannabis with the highest standards in terms of efficiency, quality and stability. To achieve its goal, Terranueva Pharma implements a modular production approach incorporating the latest advances and innovations in the automation of these processes.

Learn more about Terranueva at www.terranevea.ca

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TERRANUEVA

COMMUNIQUÉ DE PRESSE

POUR DIFFUSION IMMÉDIATE

SYMBOLE BOURSIER : TEQ

LE 27 FÉVRIER 2019

TERRANUEVA AMASSE 278 750 \$ SUITE À L'EXERCICE DE DROITS

MONTRÉAL, QUÉBEC – CORPORATION TERRANUEVA (« Terranueva » ou la « Société ») annonce avoir amassé 278 743,04 \$ suite à la conclusion de son placement de droits (les « Droits »), ayant débuté le 30 octobre 2018, alors que les détenteurs ont exercé des Droits au prix d'exercice de 0,64 \$ chacun pour acquérir un total de 435 536 actions ordinaires supplémentaires du capital social de de la Société, desquelles aucune n'a été souscrite par des initiés de la Société. Aucun engagement de souscription ni de privilège de souscription additionnelle n'avaient été convenus tout comme aucune commission n'était payable. Tous les Droits non-exercés sont maintenant nuls et sans valeur. Suivant la clôture, Terranueva compte donc présentement 32 832 161 actions ordinaires émises et en circulation.

À PROPOS DE TERRANUEVA

Terranueva a obtenu le 22 février 2019 ses licences de culture, transformation et vente (médical) de cannabis de Santé Canada. Terranueva s'appuie sur la recherche et développement et l'efficacité opérationnelle pour devenir un acteur incontournable dans l'industrie émergente du cannabis. Nous visons à fournir aux marchés canadien et international du cannabis médicinal et récréatif de première qualité. Corporation Terranueva Pharma, sa filiale détenue en propriété exclusive, détient les licences nécessaires de Santé Canada pour exécuter sa mission. Opérant à L'Assomption (Québec), sa mission est de produire du cannabis aux normes les plus élevées en termes d'efficacité, de qualité et de stabilité. Pour atteindre son objectif, Terranueva Pharma met en œuvre une approche de production modulaire intégrant les dernières avancées et innovations dans l'automatisation de ces processus.

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