

MATERIAL CHANGE REPORT

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

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

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

ITEM 2: **Date of Material Changes**

December 11, 2019.

ITEM 3: **News Release**

A press release was issued in English and French by Terranueva on December 11, 2019. Copies of each version are attached hereto.

ITEM 4: **Summary of Material Changes**

Terranueva secured a \$2M revolving credit facility with a lending institution.

Dominique St-Louis joins as Vice President Finance and Chief Financial Officer of the Corporation in replacement of Pierre Monet who will resign from his position effective December 15, 2019.

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

Terranueva announces the closing of a secured \$2M revolving credit facility (the "Revolving Credit") with a lending institution. Under the terms of the Revolving Credit, the funds will be used to finance the activities of its subsidiary, Terranueva Pharma Corporation, to finance its cannabis processing operations and, if necessary, to guarantee its working capital. The Revolving Credit is granted for a minimum one-year term and will bear interest at an annual rate of 9.95% when the Revolving Credit is used.

"This funding represents an important milestone for Terranueva. With the available funds, Terranueva is ensuring that it continues its production activities to deliver quality products from automated cleanrooms in our CRDU," said Francisco Junior Perez, Terranueva's Chief Operating Officer.

Crops and Health Canada

The Company has harvested several crops that meet positively Health Canada standards at its research centre since the summer of 2019, and its crops have received very satisfactory results following analyses by an independent laboratory. Terranueva is continuing its business plan and initiatives to market its cannabis products in order to secure short-term revenues.

Transformation of Its Management Team

On the eve of its first sales and marketing of cannabis, the Terranueva Board of Directors announces a new organizational structure. Dominique St-Louis joins as Vice President Finance and Chief Financial Officer for the entire organization.

For the past 20 years, Mr. St-Louis has held various management positions within Groupe SAJY Inc., a group of private companies active in the communications sector, including the position of Chief Executive Officer at &CO Creative Collaborators, one of the largest independent creative agencies in Quebec. In this role, Dominique supports several local and national brands in developing in a very fast-changing environment. In parallel, from 2012 to 2015, he served as Chief Financial Officer for Perisson Oil Corporation (CSE: POG).

Departure and Efficiency Within Management

As a result of these organizational changes and the evolution of its strategic plan, Terranueva announces that Pierre Monet will resign from his position as an officer effective December 15, 2019. The Terranueva Board of Directors is grateful for Pierre Monet's contribution to the evolution of Terranueva since its creation. Mr. Monet leaves Terranueva with a solid foundation on which the team in place can build.

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 Dominique St-Louis at (514) 883-8733.

ITEM 9: **Date of Report**

December 20, 2019.



TERRANUEVA

COMMUNIQUÉ DE PRESSE

POUR DIFFUSION IMMÉDIATE

SYMBOLE BOURSIER : TEQ

LE 11 DÉCEMBRE 2019

TERRANUEVA OBTIENT UN CRÉDIT ROTATIF DE 2M\$ ET MISE À JOUR

Montréal, QC – Corporation Terranueva (CSE: TEQ) (« Terranueva » ou la « Société ») annonce la mise en place d'une facilité de crédit rotatif garantie de 2M\$ (le « Crédit rotatif ») auprès d'une institution prêteuse. Selon les modalités du Crédit rotatif, les fonds serviront à financer les activités de sa filiale, Corporation Terranueva Pharma, à financer ses opérations de transformation de cannabis et garantir, s'il a lieu, son fonds de roulement. Le Crédit rotatif accordé est d'une durée minimale d'une année et portera intérêt à un taux annuel de 9,95% lorsque le Crédit rotatif est utilisé.

« Ce financement représente une étape importante pour Terranueva. Grâce aux fonds disponibles, Terranueva s'assure de poursuivre ses activités de production pour livrer des produits de qualité provenant de salles blanches automatisées de notre UCRD », a déclaré Francisco Junior Perez, Chef des opérations de Terranueva.

Récoltes et Santé Canada

La Société a procédé à plusieurs récoltes à son centre de recherche depuis l'été 2019, lesquelles répondent positivement aux normes de Santé Canada et ses récoltes ont fait l'objet de résultats très satisfaisant suite à des analyses d'un laboratoire indépendant. Terranueva poursuit son plan d'affaires et ses démarches de commercialisation de ses produits de cannabis auprès du marché afin de sécuriser des revenus à court terme.

Transformation de son équipe de Direction

À l'aube des premières ventes et commercialisation de cannabis, le Conseil d'administration de Terranueva annonce une nouvelle structure organisationnelle. Dominique St-Louis se joint à titre de Vice-président Finances et Chef de la direction financière pour l'ensemble de l'organisation.

Depuis 20 ans, Monsieur St-Louis occupe divers postes de direction au sein du Groupe SAJY Inc., un groupe de sociétés privées actif dans le secteur des communications, dont le poste de Chef de la direction chez &CO Collaborateurs Créatifs, une des plus grandes agences de créativité indépendante au Québec. Dans ce rôle, Dominique accompagne plusieurs marques locales et nationales à se développer dans un environnement en évolution très rapide. En parallèle, de 2012 à 2015, il a occupé le poste de Chef de la direction financière pour la Corporation Pétrolière Perisson (CSE :POG).

Départ et efficience au sein de la Direction

En conséquence de ces changements organisationnels et de l'évolution de son plan stratégique, Terranueva annonce que Pierre Monet quittera ses fonctions de dirigeant en date du 15 décembre 2019. Le Conseil d'administration de Terranueva est reconnaissant de l'apport de Monsieur Monet à l'évolution de Terranueva depuis sa création. Il lègue de solides assises sur lesquelles l'équipe en place pourra bâtir.

A PROPOS DE TERRANUEVA

Terranueva s'appuie sur la recherche et développement et l'efficience opérationnelle pour être un acteur dans l'industrie émergente du cannabis au Québec. Nous visons à fournir aux marchés canadien et international du cannabis 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.terranueva.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 :

Corporation Terranueva:

Dominique St-Louis

Téléphone : (514) 883-8733



TERRANUEVA

PRESS RELEASE

FOR IMMEDIATE RELEASE

STOCK SYMBOL: TEQ

DECEMBER 11, 2019

TERRANUEVA OBTAINS A \$2 MILLION REVOLVING CREDIT AND UPDATES

Montreal, QC - Corporation Terranueva (CSE: TEQ) ("Terranueva" or the "Company") announces the closing of a secured \$2M revolving credit facility (the "Revolving Credit") with a lending institution. Under the terms of the Revolving Credit, the funds will be used to finance the activities of its subsidiary, Terranueva Pharma Corporation, to finance its cannabis processing operations and, if necessary, to guarantee its working capital. The Revolving Credit is granted for a minimum one-year term and will bear interest at an annual rate of 9.95% when the Revolving Credit is used.

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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 in Quebec. We aim to provide the Canadian and international markets with first-rate cannabis.

Terranueva Pharma Corporation, its wholly owned subsidiary, holds the necessary licences 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.terranevea.ca.

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

For more information, please contact:

Corporation Terranueva:

Dominique St-Louis

Phone : (514) 883-8733