

**FORM 51-102F3**

**Material Change Report**

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

Chemistree Technology Inc.  
#208 – 828 Harbourside Drive  
North Vancouver, BC V7P 3R9  
(the "Company")

**2. Date of Material Change:**

October 27, 2022

**3. News Release:**

News releases were disseminated on October 27, 2022 and was subsequently filed on SEDAR.

**4. Summary of Material Change:**

Chemistree Technology Inc. (CSE: CHM and US OTCQB: CHMJF) (the “Company” or “Chemistree”), announced that it has negotiated the conditional sale of its Washington state subsidiary.

**5. Full Description of Material Change:**

Chemistree Technology Inc. (CSE: CHM and US OTCQB: CHMJF) (the “Company” or “Chemistree”), announced that it has negotiated the conditional sale of its Washington state subsidiary.

The Company has executed a Share Purchase Agreement with an arms-length party, whereby the Company under certain circumstances would sell 100% of its Washington Assets via the sale of subsidiary, Chemistree Washington to the other party in exchange for consideration of \$US 500,000 (\$644,563). Closing of the sale is subject to several conditions, including the transfer of a Tier 3 recreational marijuana producer/process license, from the Company’s sub-lessee to the purchaser. Closing is anticipated to occur within calendar Q4 2022.

Douglas Ford, Chemistree’s CFO commented “The Company has been evaluating strategic alternatives for its Washington State assets for several months. The protracted downturn in the cannabis sector generally, and specifically in mature markets where supply has overcrowded demand, licensees are struggling to maintain gross margin. The Company has seen the ability to raise additional financing effectively cease, a fact that provided additional motivation to reassess the cannabis industry as a core focus overall.”

**About Chemistree Technology Inc.**

Chemistree Technology Inc. is a Canadian investment company whose strategy is to focus on opportunistic investments across a broad range of industries, and is seeking to invest in early stage, promising companies where it may be the lead investor and can additionally provide investees with advisory services, mentoring and access to the Company's management expertise. Existing holdings

are in the U.S. cannabis sector, a consumer-targeted biotechnology venture and a renewable energy developer in the wind and solar sector. For more information, visit [www.Chemistree.ca](http://www.Chemistree.ca).

**Advisory**

The Company wishes to inform shareholders that there are significant legal restrictions and regulations that govern the cannabis industry in both Canada and the United States..

**Cannabis-related Practices or Activities are Illegal Under U.S. Federal Laws.**

The concepts of "medical cannabis" and "recreational cannabis" do not exist under U.S. federal law. The Federal Controlled Substances Act classifies "marihuana" as a Schedule I drug. Under U.S. federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of safety for the use of the drug under medical supervision. As such, cannabis related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of cannabis are illegal under U.S. federal law. Strict compliance with state laws with respect to cannabis will neither absolve the Company of liability under U.S. federal law, nor will it provide a defence to any federal proceeding which may be brought against the Company. Enforcement of U.S. federal laws will be a significant risk to the business of the Company and any such proceedings brought against the Company may adversely affect the Company's operations and financial performance.

Further information regarding the legal status of cannabis related activities and associated risk factors, including, but not limited to, risk of enforcement actions, risks that third-party service providers, such as banking or financial institutions cease providing services to the Company, and the risk that Company may not be able to distribute profits, if any, from U.S. operations up to the Company, are included in the Prospectus, the Company's annual information form and other documents incorporated by reference therein and in the Company's Form 2A listing statement filed with the CSE and available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com)

6. **Reliance on Subsection 7.1(2) of the National Instrument 51-102 *Continuous Disclosure Obligations*:**

Not applicable.

7. **Omitted Information:**

Not applicable.

8. **Executive Officer Knowledgeable of Material Change:**

Douglas Ford, CFO  
Telephone: (604) 678-8941

9. **Date of Report:**

October 27, 2022

**CHEMISTREE TECHNOLOGY INC.**

By: “*Douglas Ford*”

Chief Financial Officer

(Official Capacity)

Douglas Ford

(Please print here name of individual whose signature appears above.)