

**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:**

December 23, 2022

**3. News Release:**

News releases were disseminated on December 23, 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"), provided Notice of the semi-annual payment of interest on its convertible debentures maturing March 29, 2024. Pursuant to the Supplemental Indenture entered into with the Debenture Trustee, Odyssey Trust Company, effective January 17, 2022, the Company will pay the interest due on December 31, 2022 - via the issuance of common shares in lieu of payment in cash. In addition, the Company updated its investment portfolio.

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

Chemistree Technology Inc. (CSE: CHM and US OTCQB: CHMJF) (the "Company" or "Chemistree"), provided Notice of the semi-annual payment of interest on its convertible debentures maturing March 29, 2024. Pursuant to the Supplemental Indenture entered into with the Debenture Trustee, Odyssey Trust Company, effective January 17, 2022, the Company will pay the interest due on December 31, 2022 - via the issuance of common shares in lieu of payment in cash.

outstanding. The debentures bear interest at 10% per annum, paid semi-annually at the end of June and December. Common shares to be issued in satisfaction of the interest payment are calculated according to a market price formula set-out in the Supplemental Indenture and are subject to a minimum issue price of \$0.05 per share.

The convertible debentures accrue interest daily, with such accrued interest paid immediately upon conversion of the debentures. The principal amount of the debentures is convertible into common shares of the Company at a price of \$0.50 per share.

**Investment Portfolio Update**

The Company made two strategic investments in the current quarter. Chemistree invested \$200,000 into an Ontario Limited Partnership (the "ONLP") to take advantage of opportunistic long/short equity opportunities in both potential upside and downside expected price moves. The ONLP seeks to generate attractive risk-adjusted returns via an experienced investment process to purchase long

positions in companies with durable competitive advantages. ONLP's management team are seasoned investment professionals well known to Chemistree's management.

In addition, Chemistree invested \$100,000 in PlantFuel Life Inc (CSE: FUEL). The company is a scientifically focused, plant-based wellness company managed by successful entrepreneurs with extensive experience in the areas of consumer-packaged goods, manufacturing, logistics, and distribution. More information about FUEL is available at [www.plantfuellife.com](http://www.plantfuellife.com)

Further to Chemistree's October 27, 2022, press release, the Company expects to close the sale of its Washington state subsidiary prior to the end of the calendar year. Expected proceeds of the transaction are US\$500,000. In addition, the Company is pursuing a payment of US\$200,000 due from the former operator of the Tier 3 recreational marijuana producer/processor license, which was the sub-lessee of the Washington state subsidiary.

#### **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 a renewable energy developer in the wind and solar sector, a plant-based wellness company and a limited partnership focused on long/short equity opportunities in both potential upside and downside expected price moves.

#### **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:**

December 23, 2022

**CHEMISTREE TECHNOLOGY INC.**

By: “Douglas Ford”  
Chief Financial Officer  
(Official Capacity)  
Douglas Ford  
(Please print here name of individual whose  
signature appears above.)