

FORM 51-102F3
MATERIAL CHANGE REPORT
UNDER NATIONAL INSTRUMENT 51-102

Item 1 Name and Address of Company

Deploy Technologies Inc.
750 - 1095 West Pender Street
Vancouver, BC V6E 2M6

(“**Deploy**” or the “**Company**”)

Item 2 Date of Material Change

September 14, 2017.

Item 3 News Release

The news release with respect to the material change referred to in this report was issued via Marketwired on September 18, 2017. Copy of the news release has been filed on SEDAR and is available at www.sedar.com.

Item 4 Summary of Material Change

The Company announced a proposed reverse takeover with Nevada Medical Group LLC.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company announced that further to its news release dated May 16, 2017 the Company has entered into a definitive share exchange agreement (the “**Share Exchange Agreement**”) effective September 14, 2017, pursuant to which the Company, through its wholly owned subsidiary DEP Nevada Inc. (“**DEP Nevada**”), will acquire all of the issued and outstanding membership units of Nevada Medical Group LLC (“**NMG**”), a Nevada limited liability company that operates in the medical marijuana space (the “**Acquisition**”), from the members of NMG (the “**NMG Members**”).

The membership unit holders of NMG will receive 16,000,000 post-consolidation common shares in the capital of the Company (the “**Deploy Shares**”) at a deemed price of \$0.66 per Deploy Share on a pro-rata basis. For further information related to the Consolidation, as defined below, please see below under the subheading “The Acquisition”. In exchange for the Deploy Shares, DEP Nevada will receive 100% of the issued and outstanding membership interests in NMG (the “**NMG Interests**”). Subject to the fulfillment of conditions precedent of the Share Exchange Agreement, and approval of the Canadian Securities Exchange (the “**CSE**”), the Acquisition is expected to close on or before October 31, 2017, or such date as Deploy and NMG may agree.

The Acquisition is expected to represent a “fundamental change” as that term is defined in the policies of the Canadian Securities Exchange (the “**Exchange**”), and be structured as a reverse takeover. Upon successful completion of the Acquisition, it is anticipated that the Company will retain its listing on the Exchange as a producer of medical marijuana.

Nevada Medical Group LLC

NMG was an early applicant in Nevada in 2014 and was awarded one of the first state medical licences for both cultivation and production. NMG operates under its marquee brand name of Body & Mind Inc. (“**BaM**”) and produces flower, oil extracts and edibles and are available for sale in approximately 70% of the dispensaries in Nevada. BaM is an innovation leader and its products have received multiple awards including the coveted #1 ranking on Weedmaps for the state of Nevada.

The company has near term plans to expand to 50,000 square feet as the current facility of approximately 20,000 square feet is nearing capacity. NMG anticipates an increase in demand due to the recently approved “Adult Use” licensing in the State of Nevada that began in July 2017. BaM has several growth initiatives underway including new product introductions, product licensing, third party extraction, out-of-State licencing, and acquisitions.

The Acquisition

The Share Exchange Agreement also contemplates material conditions precedent to the closing of the Acquisition (the “**Closing**”), including, the completion of an equity financing to raise minimum gross proceeds of US\$4,000,000 (the “**Concurrent Financing**”), the consolidation of Deploy Shares, customary due diligence, receipt of all necessary regulatory, corporate and third party approvals, compliance with all applicable regulatory requirements, and all requisite board and shareholder approvals being obtained. In particular, it is a condition of Closing that Deploy obtain prior approval of the Nevada Department of Taxation, and if necessary, the approval of Clark County, Nevada, in relation to the transfer of the NMG membership interests.

The Company has completed the first and second tranches of its subscription receipt financing and has collected gross proceeds in aggregate greater than US \$4,000,000 and as such the Concurrent Financing condition has already been met. For further information relating to the subscription receipt financing please reference the news releases of the Company dated August 15, 2017 and August 16, 2017.

Prior to the completion of the Acquisition the Company will complete a consolidation of its common shares on the basis of one post-consolidation Deploy Share for every three pre-consolidation Deploy Shares (the “**Consolidation**”).

The completion of the Acquisition will involve, among other things, the following steps, but the parties may agree to a different structure based on tax efficiencies and the advice from legal and financial advisors:

- the Consolidation, subject to all required approvals including shareholder approval, if applicable;

- following completion of the Consolidation, the issuance by Deploy of 16,000,000 Deploy Shares to the NMG Members in exchange for all of the outstanding membership interests, such that NMG will become a wholly-owned subsidiary of the Company;
- the 16,000,000 Deploy Shares issuable to NMG Members being subject to a voluntary pool, vesting over 24 months, with 1/10 released 6 months from the date of Closing, 1/5 released 12 months from the date of Closing, 1/4 released 18 months from the date of Closing, and the remaining Deploy Shares released 24 months from the date of Closing;
- Deploy assuming loans payable to TI Nevada, LLC in the amount of US\$400,000, with US\$225,000 payable on Closing, and the remaining US\$175,000 to be paid within 15 months from the date of Closing;
- Deploy repaying NMG, or any paying NMG Member, for expenditures prior to the date of Closing related to the acquisition of production equipment, with such expenditures to not exceed US\$84,000;
- Deploy paying US\$2,000,000 in cash to the NMG Members as at the date of Closing;
- Deploy issuing 2,037,879 post-Consolidation Deploy Shares to TI Nevada LLC and 212,121 post-Consolidation Deploy Shares to Charles Fox;
- Deploy delivering a non-interest bearing promissory notes to the NMG Members in the aggregate amount of US\$2,000,000, secured by a senior priority security interest in all assets of Deploy, to be paid at the earlier of 15 months from the date of Closing or, if an equity or debt financing subsequent to the Concurrent Financing is closed in an aggregate amount of not less than US\$5,000,000, then within 30 days of the closing date of such subsequent financing; and
- receipt of all director, shareholder and regulatory approvals relating to the Acquisition and the Concurrent Financing, including, without limitation, the approval of the Exchange.

Certain of the Deploy Shares issuable pursuant to the Acquisition may be subject to the escrow requirements of the Exchange and hold periods as required by applicable securities laws.

Current Share Structure

The Company currently has 57,412,974 common shares (19,137,658 post-Consolidation common shares) issued and outstanding and nil preferred shares issued and outstanding.

Board of Directors

In connection with the Acquisition, it is anticipated that the current CEO of Deploy, Dong Shim will resign and be replaced with Leonard Clough. The Company's Chief Financial Officer, Darren Tindale, will resign from his role as director of the Company and be replaced with Leonard Clough. The Company will add two additional members, Robert Hasman and Kevin Hooks, to the board of directors upon Closing and pursuant to the terms of the Definitive Agreement. The board of directors of Deploy will be comprised of Dong Shim, Chris Macleod, Leonard Clough, Robert Hasman, and Kevin Hooks. Deploy will also undertake to formally establish an Advisory Board with individuals who have industry and finance expertise.

Robert Hasman (CEO & President of NMG) – Director

Robert Hasman is the founder & CEO of NMG and is responsible for overseeing all operations in Nevada. He has over 15 years experience in real estate, business development and management and is a graduate of Ohio State University. He brings direct knowledge of growing, facility design, daily operations, brand development, compliance, construction, and managing large scale cultivation facilities.

Kevin Hooks (Co-Founder of NMG) – Director

Kevin Hooks is the Co-Founder of NMG & President of all Nevada operations. He is a licensed pharmacist, and was founder and CEO of a pharmacy benefit management company that eventually sold in 2012 for US\$4.4 billion. He graduated from the University of Toledo, School of Pharmacy. He brings extensive pharmaceutical expertise along with first-hand knowledge of running large scale businesses and is ideally suited to provide NMG with guidance for its acquisition strategy.

Leonard Clough – CEO, President & Director

Leonard Clough has been involved in capital markets for more than 20 years. He first began his career at RBC Dominion Securities Inc., where he spent 13 years. He then founded Kingfisher Advisors SA, an investment management company formed to manage a registered Cayman Islands mutual fund specializing in special situations and mining. Mr. Clough is currently the President of Toro Pacific Management Inc., a diversified holding company and serves as a director of Dynasty Metals & Mining Inc. (TSXV: DMM, OTCQX: DMMIF).

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Darren Tindale, CFO
Telephone: 604-376-3567

Item 9 Date of Report

September 28, 2017.