

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1. Name and Address of Corporation

Rapid Dose Therapeutics Corp. (the "**Corporation**")
1121 Walkers Line
Unit 3
Burlington, Ontario
L7N 2G4

Item 2. Date of Material Change

October 30, 2019

Item 3. News Release

The news release attached hereto as Schedule "A" was issued by the Corporation through the facilities of GlobeNewsWire on October 30, 2019 and was posted to SEDAR the same day.

Item 4. Summary of Material Change

The Corporation completed the second and final closing of a private placement of common shares in the capital of the Corporation ("**Common Shares**") at a price of \$0.70 per Common Share. Gross proceeds raised on both tranches of the private placement was \$893,276 (the "**Private Placement**"). A total of 1,276,108 Common Shares were issued to investors, including directors and senior officers of RDT, in connection with the Private Placement.

The purpose of the Private Placement is to strengthen the Corporation's working capital position and to provide funds for general corporate purposes. The funds will permit the Corporation to continue to advance its previously disclosed business strategy.

A corporation controlled by Jason Lewis, a director, the SVP Business Development and an insider of the Corporation, was issued 85,000 Common Shares pursuant to the Private Placement which constituted a "related party transaction" within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). This issuance of Common Shares did not materially change the percentage of Common Shares owned by Jason Lewis. The Private Placement was approved by the board of directors of the Corporation and no special committee was established and no materially contrary view of abstention was expressed or made by any director.

In its consideration and approval of the Private Placement, the board of directors of the Corporation determined that the Private Placement was exempt from the formal valuation and minority approval requirements of MI 61-101 on the basis that the fair market value of the Common Shares issued to related parties did not exceed 25% of the market capitalization of the Corporation, in accordance with Sections 5.5 and 5.7 of MI 61-101. The Corporation did not file this material change report at least 21 days prior to the anticipated date of completion of the Private Placement due to the Corporation's determination that it was in the best interests of the Corporation to avail itself of the proceeds and complete the Private Placement in an expeditious manner.

Item 5.1. Full Description of Material Change

Please see the attached press release with respect to the matter described above.

Item 5.2. Disclosure for Restructuring Transactions

Not applicable.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

The following is the name and business telephone number of an executive officer of the Corporation who is knowledgeable about the material change in this report.

Mark Upsdell, Chief Executive Officer
(416) 477-1052

Item 9. Date of Report

November 8, 2019



Rapid Dose Reports Second Quarter Financial Results, Provides Operations Update and Closes Private Placement

BURLINGTON, Ontario, Oct. 30, 2019 -- **Rapid Dose Therapeutics Corp.** ("RDT" or the "Corporation") (CSE: [DOSE](#)) today reported its financial results for the second quarter of fiscal 2020, which ended on August 31, 2019.

"We are very pleased to announce the recognition of revenue from the installation and commissioning of three QuickStrip™ production equipment systems," said Mark Upsdell, CEO of RDT. "Revenues from the production of cannabis products by our partners also began to be recognized in September 2019."

Second Quarter Highlights

- Appointment of Dr. Rina Carlini as VP, Research & Innovation
- Expanded Managed Strip Services Agreement with Chemesis International Inc. to add the State of Michigan in the United States
- Signing of a twelve-month agreement with Ukraine Pharma for distribution of its QuickStrip™ nutraceutical products in eleven countries in Eastern Europe
- Applied for a micro-processor license with Health Canada and made a capital investment in its Burlington facility to enable white label manufacturing of QuickStrip™ cannabis products
- Signing of a Manufacturing Agreement for RDT to produce QuickStrip™ cannabis products for Thrive Cannabis, who will sell to both the Canadian medical and recreational markets
- Completion of installation and commissioning of its proprietary QuickStrip™ production equipment systems at Flower One Holdings Inc. in Nevada, USA; Chemesis International Inc. in Puerto Rico; and Aphria Inc. in Canada

Second Quarter Financial Review

The following tables contain financial information for the periods indicated. For full financial information, notes and management commentary, please refer to the Financial Statements and MD&A posted on RDT's website and SEDAR. All financial information is provided in Canadian dollars, unless specified otherwise.

	Three months ended August 31, 2019	Three months ended August 31, 2018	Six months ended August 31, 2019	Six months ended August 31, 2018
Revenue	\$ 914,492	\$ -	\$ 930,679	\$ -
Gross Profit	909,361	-	921,497	-
Operating expenses	1,637,651	504,327	4,827,660	802,846
Net loss and comprehensive loss	1,093,074	504,327	4,191,128	802,846
Net loss per share	\$ 0.01	\$ 0.01	\$ 0.06	\$ 0.01

Included in operating expenses for the three-month period ended August 31, 2019 is a one-time non-cash charge of \$441,790 for the initial issuance of stock options to an Officer and employees of the Company.

Operations Update

The results of a bioanalytical research study conducted by the University of Nevada, Las Vegas, was published in the Scientific journal, *Frontiers in Pharmacology*, highlighting that QuickStrip™ delivery resulted in higher serum levels of caffeine measured between one minute and 30 minutes following administration, and greater bioavailability compared to direct administration into the stomach via the gavage method.

RDT submitted a site license application for a micro-processor license, to enable RDT to manufacture its QuickStrip™ cannabis products in-house in Burlington, Ontario on a white-label basis for licensed Canadian producers.

RDT has a total of six signed MSSAs for the production of QuickStrip™ cannabis products, and two signed agreements for the purchase of nutraceutical products.

On the basis that the MSSAs remain in effect for the full five year terms, and the current nutraceutical agreements are entirely fulfilled, these agreements represent minimum contracted revenues of approximately \$35 million, which will be recognized by RDT upon the completion of delivery of equipment and/or product to RDT's partners and over the remaining life of the agreements. Additional revenues may also be recognized above this total if RDT's partners attain certain production levels.

“We are now focused on the delivery and installation of our proprietary production equipment in facilities in California, Michigan, and Germany to commence the recognition of recurring revenues from these signed contracts and are committed to remaining a global industry leader in the oral thin film strip market,” said Mark Upsdell, CEO of RDT.

Closing of Private Placement

Today, RDT also completed the second and final closing of a private placement of common shares in the capital of the Corporation (“**Common Shares**”) at a price of \$0.70 per Common Share. Gross proceeds raised on both tranches of the private placement was \$893,276 (the “**Private Placement**”). A total of 1,276,108 Common Shares were issued to investors, including directors and senior officers of RDT, in connection with the second closing of the Private Placement.

Certain of the Common Shares issued under the Private Placement will be subject to a four-month hold period. The proceeds received from the Private Placement will be used by the Corporation to strengthen its working capital position and for general corporate purposes.

Given that directors and senior officers of the Corporation participated in the Private Placement, that portion of the Private Placement constituted a “related party transaction” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). In its consideration and approval of the Private Placement, the board of directors of the Corporation determined that the Private Placement was exempt from the formal valuation and minority approval requirements of MI 61-101 on the basis that the fair market value of the Common Shares issued to related parties did not exceed 25% of the market capitalization of the Corporation, in accordance with Sections 5.5 and 5.7 of MI 61-101. The Corporation did not file a material change report at least 21 days prior to the anticipated date of completion of the Private Placement due to the Corporation’s determination that it was in the best interests of the Corporation to avail itself of the proceeds and complete the Private Placement in an expeditious manner.

About Rapid Dose Therapeutics Corp.

Rapid Dose Therapeutics Corp. is a publicly-traded Canadian life sciences company that provides innovative, proprietary drug delivery technologies designed to improve outcomes and quality of lives. RDT offers Quick, Convenient, Precise and Discreet™ choices to consumers. RDT is focused and committed to clinical research and product development for the healthcare manufacturing industry, including nutraceutical, pharmaceutical and cannabis industries. Within the cannabis sector, RDT provides a turn-key Managed Strip Service Program which enables RDT’s QuickStrip™ proprietary drug delivery technology to be licensed by select partners. RDT’s service-based annuity contracts drive recurring revenue which enables rapid expansion into emerging markets — generating value for consumers and shareholders. Rapid Dose Therapeutics is committed to continually create innovative solutions aimed at multiple consumer segments and future market needs — including humans, animals and plants.

For more information, visit: www.rapid-dose.com

For inquiries please contact:

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Social Media

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This news release does not constitute an offer to sell or a solicitation of an offer to buy any Common Shares nor shall there be any sales of the Common Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The Common Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS: *Certain information in this news release may contain forward-looking information within the meaning of applicable securities laws. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward looking statements are often identified by terms such as “may”, “should”, “anticipate”, “expect”, “potential”, “believe”, “intend” or the negative of these terms and similar expressions. Statements containing forward-looking information, including, without limitation, in respect of the delivery of products using the QuickStrip™ product delivery method, express, as at the date of this news release, the plans, estimates, forecasts, projections, expectations or beliefs of RDT as to future events or results and are believed to be reasonable based on information currently available to them. Forward-looking statements necessarily involve known and unknown risks, including, without limitation, risks associated with general economic conditions; adverse industry events; marketing costs; loss of markets; future legislative and regulatory developments involving cannabis; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the cannabis industry in Canada generally, income tax and regulatory matters; the ability to implement its business strategies; competition; currency and interest rate fluctuations and other risks. Readers are cautioned that the foregoing list is not exhaustive. There can be no assurance that statements of forward-looking information, although considered reasonable*

by management at the time of preparation, will prove to be accurate as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. Actual results and future events could differ materially from those anticipated in such statements. Readers should not place undue reliance on forward-looking information. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement.