

MATERIAL CHANGE REPORT

Form 51-102F3

Section 7.1 of National Instrument 51-102

Item 1. Name and Address of Company

Rapid Dose Therapeutics Corp.
1121 Walkers Line, Unit 3,
Burlington, Ontario L7N 2G4

Item 2. Date of Material Change

March 7, 2021

Item 3. News Release (including date and method of dissemination)

A new release was issued via Globe Newswire on March 8, 2021.

Item 4. Summary of Material Change

Effective as of March 7, 2021, Rapid Dose Therapeutics Corp. (“RDT” or the “Company”) entered into an amalgamation agreement (“Amalgamation Agreement”) with 2544737 Ontario Limited, operating as Consolidated Craft Brands (“CCB”) and 2814882 Ontario Inc, a wholly-owned subsidiary of RDT, in connection with a proposed business acquisition by way of a three-cornered amalgamation (the “Transaction”) totalling \$5,000,000 CDN. (five million dollars Canadian). The Transaction is an indirect acquisition by RDT of CCB with CCB being amalgamated with the newly created subsidiary of RDT.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

RDT entered into the Amalgamation Agreement for the proposed indirect acquisition of CCB. The Transaction contemplates CCB being amalgamated with a newly created subsidiary of RDT to form an amalgamated corporation which would be a wholly owned subsidiary of RDT. CCB is currently a majority First Nations owned private company carrying on business in the development of packaged goods for health and wellness products.

Pursuant to the terms of the letter of intent announced by RDT on January 11, 2021, RDT was to issue 16,666,667 units (each, a “Unit”), each Unit consisting of one common share and one common share purchase warrant at a deemed price of \$0.30 per Unit in exchange for 100% of the common shares of CCB. Each warrant could be exchanged for one common share of the Company at a price of \$0.45 per common share for a period of 24 months from the closing of a definitive agreement. Subsequent to this, the terms of the share exchange were modified to reflect the changes in the market price of RDT’s common shares. The value of the Transaction remains at \$5,000,000 CDN for 100% of the common shares of CCB; however, under the terms of the Amalgamation Agreement 20,000,000 Units will be issued by RDT at a deemed price of \$0.25 per Unit, each Unit consisting of one common share and one common share purchase warrant. Each warrant will entitle the holder to acquire one common share of the Company at a price of \$0.375 per common share for a two year period from the issuance date.

The common shares and the warrants issued will be subject to an escrow arrangement whereby the shares and the warrants will be released over an eleven-month period from closing of the Transaction with the final 20% released at the end of the eleven months.

The Amalgamation Agreement allows for a “clawback” of all or a portion of the final release of shares and warrants upon the occurrence of certain defined events.

In addition, the Amalgamation Agreement allows the CCB selling shareholders the right to nominate one director to the board of directors of RDT. Accordingly, Thomas Bryson, the Chief Executive Officer of CCB prior to the Transaction, has agreed to join the board of directors of RDT effective on completion of the Transaction. Also, the board of directors of RDT have offered, and Mr. Bryson has accepted, the further role as President of RDT.

When the amalgamation is completed, CCB will become a wholly owned subsidiary of RDT. CCB brings CPG and Pharma manufacturing expertise, a Health Canada R&D License with developed proprietary formulations, branded products, several patent pending technologies for rapid onset beverage enhancements and a consortium of strategic alliances including First Nation majority shareholders. The balance sheet of CCB includes \$3,000,000 in cash and receivables including a repayable advance of \$600,000 which CCB has made to RDT, equipment, inventory, patent pending technologies and the R&D License. In addition, the Amalgamation Agreement provides that CCB's liabilities will be less than \$50,000.

5.2 Disclosure for Restructuring Transactions

Not applicable

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

Not applicable

Item 7. Omitted Information

Not applicable

Item 8. Executive Officer

Inquiries in respect of the material change referred to herein may be made to:

Mark Upsdell, Chief Executive Officer

Phone: (416) 477-1052 - mupsdell@rapid-dose.com

Pat McCarty, Managing Director Capital Markets

Phone: (416) 365-8012 – pmccarthy@leedejonesgable.com

Item 9. Date of Report

This report is dated as of the 15th day of March, 2021.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain information in this report may contain forward-looking information within the meaning of applicable securities laws.

Any statements that are contained in this report 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”, “will”, “could”, “are planned to”, “are expected to” or the negative of these terms and similar expressions. Statements containing forward-

looking information include, without limitation, statements in respect of the completion of the Transaction, the development of CCB's business, the delivery of equipment and products using the QuickStrip™ product delivery method, the generation of recurring revenues, and, restocking orders. As at the date of this report, such forward-looking statements represent the plans, estimates, forecasts, projections, expectations or beliefs of RDT management as to future events or results and are believed to be reasonable based on information currently available to RDT management. 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; termination of agreements; 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 RDT 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 forward-looking statements. Readers should not place undue reliance on forward-looking statements. Forward-looking statements contained in this report are expressly qualified by this cautionary statement.