

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Harrys Manufacturing Inc. (the “**Company**”)
1070 – 1055 West Hastings Street
Vancouver, BC, V6E 2E9

Item 2 Date of Material Change

November 2, 2021

Item 3 News Release

A news release dated November 2, 2021 was disseminated and subsequently filed on SEDAR.

Item 4 Summary of Material Change

The Company completed a non-brokered private placement for gross proceeds of \$451,190.04.

Item 5 Full Description of Material Change

On November 2, 2021, the Company closed a non-brokered private placement comprised of 3,759,917 units of the Company (each, a “**Unit**”) at \$0.12 per Unit for gross proceeds of \$451,190.04 (the “**Offering**”). Each Unit consisted of one (1) common share in the capital of the Company (a “**Share**”) and one (1) transferable common share purchase warrant of the Company (a “**Warrant**”). Each Warrant is exercisable into one (1) additional Share (a “**Warrant Share**”) at an exercise price of \$0.20 per Warrant Share on or before November 2, 2023.

In connection with the Offering, the Company paid aggregate cash finder’s fees totaling \$13,520.16 and issued 112,668 finder’s warrants (the “**Finder’s Warrants**”) to certain qualified arm’s length finders. Each Finder’s Warrant is exercisable into one (1) Share (a “**Finder’s Warrant Share**”) at an exercise price of \$0.20 per Finder’s Warrant Share on or before November 2, 2023.

All securities issued in connection with the Offering are subject to a statutory hold period of four months plus a day in accordance with applicable securities legislation ending on March 3, 2022. The Company intends to use the proceeds from the Offering for general working capital purposes and to fund the Company’s entrance into the Canadian tobacco market, including initial product inventory purchases, regulatory security deposit requirements and staffing.

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 name and telephone number of the officer of the Company who is knowledgeable about the material change and the Material Change Report is:

Michael Young, Chief Financial Officer

Tel: 604-359-3011

Item 9 Date of Report

November 9, 2021

FORWARD-LOOKING STATEMENTS:

Cautionary Note Regarding Forward-Looking Statements: This material change report includes certain statements and information that may constitute “forward-looking information” within the meaning of applicable Canadian securities laws. All statements in this material change report, other than statements of historical facts, including statements regarding future estimates, plans, objectives, timing, assumptions or expectations of future performance, including the Company’s anticipated use of proceeds from the Offering, are forward-looking statements and contain forward-looking information. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as “intends” or “anticipates”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would” or “occur”. Forward-looking statements are based on certain material assumptions and analysis made by the Company and the opinions and estimates of management as of the date of this material change report. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Important factors that may cause actual results to vary include, without limitation: uncertainties affecting the Company’s expected use of proceeds, the Company’s ability to enter the Canadian tobacco market and the Company’s ability to obtain any required provincial and federal licenses and registrations to operate in the tobacco industry. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The Company does not undertake to update any forward-looking statement, forward-looking information or financial out-look that are incorporated by reference herein, except as required by applicable securities laws.