

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

**Item 1. Name and Address of Company**

City View Green Holdings Inc.  
#132 – 1173 Dundas Street East  
Toronto, ON M4M 3P1

**Item 2. Date of Material Change**

April 21, 2020

**Item 3. News Release**

A News Release dated and issued April 21, 2020 at Toronto, Ontario, through Newsfile Corp. and SEDAR.

**Item 4. Summary of Material Change**

City View Green Holdings Inc. signs definitive Asset Purchase Agreement with Infusion Works Inc. to strengthen its position in the Cannabis-Infused Food Industry.

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

See news release, a copy of which is attached hereto.

**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**

Rob Fia, President  
Telephone: 416.722.4994

**Item 9. Date of Report**

April 21, 2020

## City View Green Holdings Inc. Signs Definitive Asset Purchase Agreement with Infusion Works Inc. to Strengthen its Position in the Cannabis-Infused Food Industry

Toronto, Ontario- April 21, 2020 - City View Green Holdings Inc. (“**City View**” or the “**Company**”), trading through the facilities of the Canadian Securities Exchange (“**CSE**”) under the symbol “CVGR” and on the OTCQB<sup>®</sup> under the symbol “CVGRF”, and further to the press release dated February 26, 2020 announcing a letter of intent (“**LOI**”) with Infusion Works Inc. (“**Infusion Works**”), City View is pleased to announce that it has entered into a definitive asset purchase agreement (the “**Agreement**”) with Infusion Works dated April 20, 2020, as described in further detail below. Closing is expected to occur on or around April 27, 2020 (the “**Closing Date**”).

Infusion Works is a consumer goods food company with the goal of leading in the development of cannabis-infused brands in several food categories. The company utilizes high-quality automated manufacturing practices from the food industry, resulting in low cost production of high-quality, consistent food products. To create these high-quality cannabis-infused food products, the company has invested significantly in food research and development as it relates to cannabis-infused foods. In addition, the company is developing its “white label” co-manufacturing and co-packing services to a growing list of current producers who are licensed by Health Canada to cultivate and/or produce cannabis and cannabis-related goods (“**LP**”). These services include co-manufacturing of cannabis-infused baked goods, chocolate and sugar confectionery, hemp-based CBD pet snacks and co-packing of dried cannabis and pre-rolls, vapes, concentrates and extraction capabilities.

The strategy for the advancement of City View after the Infusion Works asset acquisition will be to rapidly integrate the two companies and aggressively pursue the unified City View Green/Infusion Works business plan.

Pursuant to the Agreement, City View will issue to Infusion Works 46,462,114 common shares in the capital of the City View (“**City View Shares**”) in two tranches (the “**Consideration Shares**”), subject to an adjustment amount (the “**Adjustment Shares**”) as described below in paragraph (e). The following is a summary of the transaction:

- (a) City View shall complete a financing for aggregate gross proceeds of up to \$1,000,000, composed of units (“**Units**”) at a price of \$0.05 per Unit. Each Unit is composed of one City View Share and one City View Share purchase warrant (“**Warrant**”). Each whole Warrant shall entitle the holder to purchase one City View Share at a price of \$0.05 per City View Share for a period of five (5) years from the date of issuance (the “**Financing**”).
- (b) 50% of the Consideration Shares (the “**First Release**”) shall be issued on the Closing Date and deposited into escrow (“**Escrow**”).
- (c) The Escrow period for the Consideration Shares and Adjustment Shares is 24 months from the Closing Date; in addition, management of Infusion Works has agreed to enter into a lock-up agreement in respect of the First Release, for a twelve (12) month period.

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- (d) The remaining 50% of the Consideration Shares (the “**Second Release**”) shall be issued upon City View receiving a Health Canada License under the Cannabis Act. (the “**Licensing**”).
- (e) City View shall issue to Infusion Works an additional amount (the “**Adjustment Shares**”) of City View Shares equal to 19.99% of the number by which the issued and outstanding City View Shares at the time of the issuance of the second tranche exceeds 252,426,785 City View Shares.
- (f) Infusion Works shall have paid a deposit (the “**Deposit**”) of CAD\$439,238.00 for the purchase of certain new food manufacturing equipment.
- (g) The total equipment purchased and financed by City View shall be up to approximately CAD\$2,300,000, less the Deposit.
- (h) A group of founders from Infusion Works shall participate in the subscription of not less than CAD\$300,000.00 of the securities offered under the Financing (the “**Infusion Participation**”).
- (i) Infusion Works shall transfer or assign to City View all of the current contracts or economic benefit derived from existing contracts or future contracts until the date of receipt of the Licence;
- (j) Infusion Works shall deliver to City View all product formulations and evidence of value totaling CAD\$500,000 and all dosing technology and evidence of value totaling CAD\$250,000;
- (k) Infusion Works shall complete the quality manual to obtain a Health Canada licence (the “**Licence**”) under the Cannabis Act, which shall include all standard operating procedures applicable to the facility located at 49 Easton Road, Brantford, Ontario (the “**Brantford Facility**”);
- (l) At the Closing Date, Mr. Don Robinson shall be appointed as Director of City View, filling a vacancy on the Board; Upon receipt of the Licence, Mr. Karl Wirtz will be appointed at the time of Licensing. It is presently contemplated that a current director of City View will resign to create a vacancy for the appointment of Mr. Wirtz;
- (m) Prior to the Closing Date, City View shall enter into consulting agreements with Randy MacLeod and John Duck; provided below are brief biographies of each of Messrs. MacLeod and Duck.
- (n) City View has agreed to offer Infusion Works a profit participation representing 10% of EBIT for a period of three (3) years commencing on the date of receipt of the Licence.

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City View will continue to pay for build-out costs at the Brantford Facility pursuant to the sale and leaseback transaction as previously announced on July 30, 2019, in an amount up to \$2,500,000.

### Board & Management Additions:

#### Mr. Karl Wirtz, to be Appointed Director upon Licensing, Founder, Infusion Works Inc.

Karl Wirtz is a professional entrepreneur and business owner with over 33 years of experience. Mr. Wirtz has built and presently manages a globally recognized bakery and co-packing business with food safety certifications carrying an “A” rating under the global food safety initiative. Mr. Wirtz is currently servicing many household names in the consumer product goods (“CPG”) industry from all over the globe. Recently, Mr. Wirtz partnered with an Ontario-based bakery and through this relationship, he has built one of Canada’s first cannabis-infused bakeries, contracted to one of Ontario’s top LPs. Mr. Wirtz has created and managed the full concept and layout for an onsite cannabis packaging line and delivered excellent scores for that LP’s order fulfilment upon the launch of the LP’s recreational cannabis products.

#### Mr. Don Robinson, to be Appointed Director on the Closing Date, CEO & President, Infusion Works

Don Robinson is an accomplished global businessman with extensive executive experience in transformational strategies in several industries. Mr. Robinson was formerly Chairman, CEO and President of Cara Operations Ltd. (“Cara”) and was responsible for successfully leading a \$1.8B business in terms of sales with an EBITDA of \$70M for a period of seven years including, 700 restaurants, 35,000 people and five restaurant chains. Mr. Robinson led Cara through a period of extensive transformation during his tenure. He was also formerly the President & CEO of Mars Canada Ltd., the Canadian division of Mars, Incorporated (“Mars”). Mars is a global-branded private consumer goods company with global business of \$40B in sales and \$2B in EBITDA. Mr. Robinson reported directly to the Mars global head office. During his tenure, he transformed the business from an unprofitable operation losing \$20M annually to a profit of \$25M with sales of over \$500M.

#### Randy MacLeod, Consultant

Randy MacLeod has over 25 years of global, senior management experience in life science industries, including biopharmaceutical, diagnostics, and medical devices. Mr. MacLeod was a global manager in a Fortune 500 corporation managing a \$200M business unit in terms of sales. Mr. MacLeod has lived and worked around the world restructuring marketing, sales, distribution systems as well as managing product development and operations; implementing ISO 9001 standards and building long-term value. Mr. MacLeod was formerly the President & CEO of a LP in Ontario. Mr. MacLeod has been hands-on in the Canadian, licensed cannabis industry since 2014, managing the development, the licence application, the facility construction of

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licenced facilities. Mr. MacLeod holds a bachelor of science degree from the University of Guelph as well as a master of business administration degree from the Ivey School of Business.

It is presently anticipated that on or around the time of receipt of the Licence, Mr. MacLeod will be appointed as the chief operations officer of the Company.

### **John Duck, Appointed Manager Operations**

John Duck has been involved in the cannabis industry for several years and has extensive experience working under the regulatory requirements of Health Canada. He has a full portfolio of design skills that include architectural, structural, and HVAC systems for commercial and industrial buildings. Mr. Duck has developed intellectual property related to dosing cannabis-infused confectionery. He brings years of quality assurance work experience along with over thirty years in general management capacities and senior project management.

Rob Fia, CEO & President Commented:

“It has always been our goal at City View to assemble the best team and today we have done that with the addition of Don and Karl who are experienced in food product development, food manufacturing, and sales and marketing. Furthermore, the hands-on operations and regulatory experts in Randy and John and the global experience of all four of these individuals represents a significant addition to the City View team. Through this acquisition and upon Licensing, City View acquires revenue and cash flow from Infusion Works’s existing customer and any additional customers secured prior to Licensing. These are exciting times for City View as we rapidly expand our path to market and complete our facility and Health Canada licensing to become a leading cannabis-infused food company.”

For further information contact:

City View Green Holdings Inc.

Rob Fia, CEO & President

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*Neither the Canadian Securities Exchange nor its regulations services accept responsibility for the adequacy or accuracy of this release.*

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## About City View

City View Green is a leading cannabis-infused food company focused on the development of food brands, extraction and distribution. Upon the anticipated receipt of its *Cannabis Act* processing and sales licences (“**Cannabis Licences**”), City View will incorporate cannabis-infused food production and extraction at its Brantford, Ontario facility. Once operational, it is our expectation that City View will produce high quality cannabis-infused food, oils, distillates, and water-soluble products for the food and beverage markets. In addition, City View owns a 19.9% stake in Budd Hutt Inc. (“**Budd Hutt**”), a retail-focused cannabis company with access to cannabis cultivation and production licences in Alberta and other retail opportunities across Canada. Through its relationship with Budd Hutt, the Company anticipates securing shelf space, product placement, and distribution opportunities for City View's products. For more information visit [www.cityviewgreen.ca](http://www.cityviewgreen.ca).

*This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the “1933 Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration is available.*

### **Disclaimer for Forward-Looking Information**

*This press release contains forward-looking statements regarding a definitive agreement with Infusion Works including future revenue and cash flow, deposits, the Financing, the Licensing, and build-out of the Brantford Facility that are based on the beliefs of management and reflect the Company's current expectations. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. There are a number of important factors that could cause the Company's actual results to differ materially from those indicated or implied by forward-looking statements and information. When relying on the Company's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events.*

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