

**Form 51-102F3**  
***Material Change Report***

**Item 1            Name and Address of Company**

Pac Roots Cannabis Corp. (the “**Company**”)  
#300-1055 West Hastings Street  
Vancouver, British Columbia, V6E 2E9

**Item 2            Date of Material Change**

June 30, 2020

**Item 3            News Release**

A news release was disseminated on July 7, 2020 through the facilities of Accesswire.

**Item 4            Summary of Material Change**

The Company has executed an investment agreement dated June 30, 2020 (the “**Investment Agreement**”) with a private British Columbia company (“**BC Co**”) which supersedes the letter agreement dated May 29, 2020 in respect of the formation of the joint venture called Rock Creek Farms, a proposed 100 acre commercial hemp operation located in Rock Creek, British Columbia (the “**Joint Venture**”).

**Item 5            Full Description of Material Change**

The Company entered into the Investment Agreement with BC Co in respect of the Joint Venture, which will be owned 60% by Pac Roots and 40% by BC Co. The Company’s contribution to the Joint Venture will be an aggregate of \$450,000 in capital, of which \$100,000 was funded upon the execution of the LOI and a further \$100,000 was funded upon the execution of the Investment Agreement. The remaining \$250,000 funding contribution will be made upon closing of the Investment Agreement. BC Co. will contribute two commercial leases for over 100 acres of growing space, consulting services, cultivation equipment, agricultural infrastructure and intellectual property relating to commercial scale hemp operations and proprietary biomass storage techniques. Profits generated from the joint venture will be distributed first to the Company until its capital contributions have been repaid and thereafter in accordance with the interests in the joint venture held by the parties. A formal shareholder’s agreement governing the operations of the entity operating Rock Creek Farms will be entered into at closing.

**Item 6            Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

This Report is not being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102.

**Item 7            Omitted Information**

No information has been omitted on the basis that it is confidential information.

**Item 8            Executive Officer**

Patrick Elliott is knowledgeable about the material change and the Report and may be contacted (604)-609-6171.

**Item 9            Date of Report**

July 7, 2020