

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

September 18, 2020

Item 3 News Release

A news release was disseminated on September 18, 2020 through the facilities of Accesswire.

Item 4 Summary of Material Change

The Company has closed a share purchase agreement to purchase all of the issued and outstanding shares of 1088070 BC LTD, a company owning and controlling nine parcels of land comprised of 250 acres of land in the Fraser Valley Region of British Columbia. (the “Acquisition”);

Item 5 Full Description of Material Change

Following a 51-day due diligence period, the Company is satisfied with its investigations and the closing documents associated with the transaction have been exchanged. As consideration for the shares, the Company will pay an aggregate of \$1.5 million in cash and issue an aggregate of 3 million common shares to the 1088 Shareholders, pro rata in accordance with their holdings as follows (the “Consideration”):

- (a) 375,000 shares to be issued on or before the date which is 30 days from the date of Closing (the “Closing Date”);
- (b) \$200,000 within three months of the Closing Date;
- (c) \$300,000 in cash and 562,500 common shares within 12 months of the Closing Date;
- (d) \$400,000 in cash and 937,500 common shares within 18 months of the Closing Date; and
- (e) \$600,000 and 1,125,000 common shares within 24 months after the Closing Date.

Pending the payment of the Consideration in full, 1088070 BC LTD will grant a mortgage over its land package in favor of its shareholders.

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

September 28, 2020