

Form 51-102F3

Material Change Report

Item 1 Name and Address of Company

Christina Lake Cannabis Corp. (the “Issuer”)
Suite 810 – 789 West Pender Street
Vancouver, British Columbia
V6C 1H2

Item 2 Date of Material Change

May 25, 2020

Item 3 News Release

The news release was filed on SEDAR on May 25, 2020.

Item 4 Summary of Material Change

The Issuer announced that it has closed a non-brokered private placement of unsecured convertible debentures, for gross aggregate proceeds of CDN\$255,000.

Item 5 Full Description of Material Change

Item 5.1 Full Description of Material Change

May 25, 2020 - Vancouver, British Columbia, Canada: Christina Lake Cannabis Corp. (the “Company” or “CLC” or “Christina Lake Cannabis”) is pleased to announce that it has closed a non-brokered private placement of unsecured convertible debentures (the “Debentures”) with an aggregate face value of CDN\$5,000 (the “Principal Amount”), for gross aggregate proceeds of CDN\$255,000 (the “Offering”).

The terms of the Debentures include:

- The Debentures mature twenty-four (24) months from the date of issuance (the “Maturity Date”) and bear interest at the rate of 12.0% per annum;
- Prior to the Maturity Date, the Subscribers have the right at any time during the period beginning on the date the Debentures are issued (the “Issue Date”) and ending on the date which is twelve (12) months following the Issue Date (the “First Year Term”), to convert the Debentures into conversion shares (“Conversion Shares”) at the conversion price of \$0.20 (“Conversion Price”), and they shall receive interest payable in Conversion Shares that is an amount equal to the first year interest term (being 365 days x 12% interest on a non pro rata basis) on a non pro rata basis;
- Following the First Year Term, the Debentures and any accrued but unpaid interest will be convertible into Conversion Shares at the Conversion Price at the option of the Debenture holder; and
- Each Conversion Share will consist of one (1) common share.

The Company paid a finder’s fee of \$15,000 in cash and issued 75,000 finder’s warrants (“Finder’s Warrants”), which represents 6% of the gross proceeds received from the subscribers introduced to the Company by the finder. The Finder’s Warrants will entitle the holder to purchase common shares in the capital of the Company at a price of \$0.20 for a period of twelve (12) months from closing.

All securities issued pursuant to the Offering are subject to a statutory four-month and one day hold period from the date of issuance pursuant to applicable securities laws of Canada. Proceeds from the Offering will be used for general working capital to continue the Company’s ongoing obligations.

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**

Joel Dumaresq, Director, CEO and Interim CFO

Business Telephone: 604 687 2038

Facsimile: 604 687 3141

Item 9 **Date of Report**

May 25, 2020