

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

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

Item 2 Date of Material Change

March 15, 2022

Item 3 News Release

The news release was disseminated by Globenewswire on March 15, 2022 and it was filed on SEDAR and posted to the Company’s disclosure hall with the CSE on March 16, 2022.

Item 4 Summary of Material Change

The Company announced that Mr. Jay McMillan has been appointed to the board of directors.

The Company granted 200,000 restricted share units and 675,000 stock options to directors and employees of the Company.

The Company announced that it has amended the terms of the certain convertible debentures.

The Company announced that all motions that were presented at the Special Meeting for Class B Preferred Shareholders held on March 11, 2022 were carried.

Item 5 Full Description of Material Change

Item 5.1 Full Description of Material Change

Please see the attached news release dated March 15, 2022.

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, Chief Executive Officer
Telephone: 604-687-2038

Item 9 Date of Report

March 25, 2022



Christina Lake Cannabis Appoints Jay McMillan to its Board of Directors

VANCOUVER, British Columbia, MARCH 15, 2022 Christina Lake Cannabis Corp. (the “Company” or “CLC” or “Christina Lake Cannabis”) (CSE: CLC) (OTCQB: CLCFF) (FRANKFURT: CLB) is pleased to announce that it has appointed Jay McMillan, an accomplished corporate development and mergers/acquisitions (“M&A”) executive with a strong product development acumen, to its Board of Directors.

"We are pleased to welcome Jay McMillan to CLC’s Board of Directors," said Joel Dumaresq, Chief Executive Officer and Director of Christina Lake Cannabis. "Jay's deep industry experience will be invaluable to CLC as we grow our business and continue to pursue our mission. On behalf of the Company, I’d like to welcome Jay to the team – we couldn’t be more excited to have him on board."

Leveraging 25 years of international markets experience, Mr. McMillan has an extensive background in new market development and strategic engagements with Fortune 500 organizations in the consumer-packaged goods (“CPG”), technology, and consumer electronics spaces. Mr. McMillan’s most recent role was as Chief Development Officer with HEXO Corp. (“HEXO”), a leading Canadian Licensed Producer of cannabis, where he played a pivotal role during the 2010s and 2020s in growing HEXO to be the top Licensed Producer in the country by market share. At HEXO, Mr. McMillan identified strategic business development opportunities by way of M&A, joint ventures, and key partnerships. Furthermore, Mr. McMillan was responsible for research and development (“R&D”), innovation, and commercialization. Mr. McMillan continues to participate in the expanding cannabis market as a Principal of UberGreen; a cannabis consulting firm focused on growth strategies, business model innovation, market consolidation, and product development.

“I’ve been impressed by both the knowledge of the Christina Lake Cannabis team and the great products that they have created. I’m looking forward to leveraging my experience and governance as well as several other facets of the cannabis industry with CLC,” said Jay McMillan.

The Company announces that it has issued an aggregate of 200,000 restricted share units (“RSUs”) and 675,000 stock options (“Options”) to directors and employees of the Company in accordance with the Company’s Option and RSU plan. 300,000 Options have been granted with an exercise price of \$0.20 and 375,000 Options have been granted with an exercise price of \$0.25. Each Option will entitle the holder thereof to purchase one additional common share of the Company for a period of 5 years from grant, at its respective exercise price. The Options are subject to various vesting restrictions. The RSUs will vest upon various agreed upon milestones and shall entitle the holder the ability to acquire one common share of the Company underlying each such RSU by delivering a notice of acquisition to the Company in accordance with the RSU plan. The RSUs were priced at \$0.20 based on the closing price of the common shares on the Canadian Securities Exchange on March 15, 2022.



Additionally, CLC hereby announces that it has amended the terms of the following unsecured convertible debentures (the “**Convertible Debentures**”):

- 358 Convertible Debentures issued on March 13, 2020 in the principal amount of \$1,790,000;
- 158 Convertible Debentures issued on March 23, 2020 in the principal amount of \$790,000;
- 20 Convertible Debentures issued on April 7, 2020 in the principal amount of \$100,000
- 5 Convertible Debentures issued on May 14, 2020 in the principal amount of \$25,000;
- 50 Convertible Debentures issued on May 25, 2020 in the principal amount of \$250,000; and
- 38.5 Convertible Debentures issued on August 20, 2020 in the principal amount of \$192,500.

The Convertible Debentures mature twenty-four (24) months from the date of issuance and bear interest at a rate of 12% per annum. Under the amended terms, the Convertible Debentures will now mature forty-two (42) months from the date of issuance and the debenture holder will have the option to convert unpaid and accrued interest into conversion shares at a price of \$0.20, and, regardless of the date of conversion, such holder will receive interest payable in conversion shares that is an amount equal to the unpaid interest for the period from the issue date (or date of last interest payment, if later) up to and including the maturity date, on a non pro rata basis. All other terms of the Convertible Debentures remain unchanged. The total principal amount outstanding under the Convertible Debentures is \$3,147,500.

Convertible Debentures that have not been extended will remain subject to the original terms from issuance.

The amendment to the Convertible Debenture will allow the Company to preserve its capital for operational activities.

The Company would also like to announce that all motions that were presented at the Special Meeting for Class B Preferred Shareholders held on March 11, 2022 were carried.

ABOUT CHRISTINA LAKE CANNABIS CORP.

Christina Lake Cannabis is a licensed producer of cannabis under the Cannabis Act. It has secured a standard cultivation licence and corresponding processing amendment from Health Canada (March 2020 and August 2020, respectively) as well as a research and development licence (early 2020). Christina Lake Cannabis’ facility consists of a 32-acre property, which includes over 950,000 square feet of outdoor grow space, offices, propagation and drying rooms, research facilities, and a facility dedicated to processing and extraction. Christina Lake Cannabis also owns a 99-acre plot of land adjoining its principal 32-acre site, which allows for future expansion. Christina Lake Cannabis cultivates cannabis using strains specifically developed for outdoor cultivation and in its second harvest season produced over 38,000 kg (83,776 lb) of dried biomass. For more information, please visit www.christinalakecannabis.com and www.sedar.com (CLC.CN).



On behalf of Christina Lake Cannabis Corp.:

"Joel Dumaresq"

Joel Dumaresq, CEO and Director

For more information, please contact:

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CSE'S REGULATION SERVICES PROVIDER.

Forward-Looking Information: This news release includes certain statements that may be deemed "forward-looking statements." The use of any of the words "anticipate," "continue," "estimate," "expect," "may," "will," "would," "project," "should," "believe" and similar expressions are intended to identify forward-looking statements. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. These statements speak only as of the date of this News Release. Actual results could differ materially from those currently anticipated due to a number of factors and risks including various risk factors discussed in the Company's disclosure documents which can be found under the Company's profile on <http://www.sedar.com>.

Statement Regarding Third-Party Investor Relations Firms

Disclosures relating to investor relations firms retained by Christina Lake Cannabis Corp. can be found under the Company's profile on <http://sedar.com>.