

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

September 8, 2022

Item 3 News Release

The news release was disseminated by Globenewswire on September 8, 2022 and it was filed on SEDAR and posted to the Company’s disclosure hall with the CSE on September 8, 2022.

Item 4 Summary of Material Change

The Company closed a non-brokered private placement of unsecured convertible debentures (the “Debentures”) in the principal amount of \$810,000 and it issued 405,000 bonus warrants (“Bonus Warrants”) to the subscribers of the offering.

Item 5 Full Description of Material Change

Item 5.1 Full Description of Material Change

On September 8, 2022, the Company closed a non-brokered private placement of Debentures. The Debentures will mature thirty-six (36) months from the date of issuance and bear interest at the rate of 15.0% per annum, with such interest to be accrued on a monthly basis and paid on a semi-annual basis. Pursuant to the terms of the Debentures, the subscribers may at any time prior to the Maturity Date convert the principal amounts of the Debentures and any accrued but unpaid interest into common shares of the Company (“Common Shares”), at a price of \$0.15 per Common share.

In connection with the issuance of the Debentures, the Corporation issued an aggregate of 405,000 Bonus Warrants. Each Bonus Warrant is exercisable until December 31, 2024 to acquire one additional Common share per Bonus Warrant at an exercise price of \$0.20 per share. The Bonus Warrants are subject to an acceleration clause, whereby if the volume weighted average price of CLC's Common Shares exceeds \$0.40 per Common Share for a period of 20 days, the Company may accelerate the expiry of the Bonus Warrants by providing notice to the holders.

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 to finance and repatriate the purchase of processing equipment and working capital to continue the Company’s ongoing obligations.

Certain insiders of the Company participated in the Offering for an aggregate total of \$700,000 in Debentures. The participation by such insiders is considered a “related-party transaction” within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions (“MI 61-101”). The Company has relied on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of related party participation in the placement as neither the fair market value (as determined under

MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involved the related parties, exceeded 25% of the Company's market capitalization (as determined under MI 61-101).

The Company did not file a material change report more than 21 days before the expected closing of the Offering as the details of the participation therein by related parties of the Company were not settled until shortly prior to closing of the Offering and the Company wished to close on an expedited basis for sound business reasons.

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
Telephone: 604-687-2038

Item 9 Date of Report

September 19, 2022