

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 25, 2023

Item 3 News Release

The news release was disseminated by Globenewswire on September 25, 2023 and it was filed on SEDAR+ and posted to the Company’s disclosure hall with the CSE on September 25, 2023.

Item 4 Summary of Material Change

The Company closed the second tranche of a non-brokered private placement previously announced on September 7, 2023 and September 12, 2023, by way of the issuance of secured convertible promissory notes (the “Notes”) in the principal amount of \$750,000.

The Company also repaid the total principal amount due of \$790,000 under its 12% Unsecured Convertible Debentures due September 23, 2023 (the "Debentures").

Item 5 Full Description of Material Change

Item 5.1 Full Description of Material Change

On September 25, 2022, the Company closed the second tranche of a non-brokered private placement of Notes which were secured by land and buildings. The Notes bears interest at a rate of 15% per annum over a term of 36 months (the "Term"). Repayment of the Notes shall be in the form of interest only payments for the first 15 months of the Term and a blended principal and interest payment for the remaining Term. Outstanding principal and interest from the Notes will be convertible into common shares at a conversion price of \$0.06 per common share during the Term. The Company shall also have the right to redeem or repay the Notes at any time during the Term.

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 repayment of outstanding debentures, working capital and general corporate purposes.

Certain insiders of the Company participated in the first tranche of the Offering for an aggregate total of \$400,000 in Notes. 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 5.5(b) and 5.7(1)(b), respectively, of MI 61-101, as no securities of the Company are listed or quoted on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., the New York Stock Exchange, the American Stock Exchange, the NASDAQ Stock Market, or a stock exchange outside of Canada and neither the fair market value of the Notes to be acquired by the participating directors and

officers nor the consideration to be paid by such directors and officers is exceeds \$2,500,000.

Additionally, the Company repaid the Debentures due September 23, 2023. The repayment of the Debentures also included outstanding interest due of \$386,487. The repayment of the Debentures at maturity was financed primarily with the proceeds of the first two tranches of the non-brokered private placement announced above

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

Mark Aiken, Director
Telephone: 604-687-2038

Item 9 Date of Report

September 26, 2023