

**Form 51-102F3**  
***Material Change Report***

**Item 1      Name and Address of Company**

Christina Lake Cannabis Corp. (the “Company”)  
Suite 1890 – 1075 West Georgia Street  
Vancouver, BC V6E 3C9

**Item 2      Date of Material Change**

February 29, 2024

**Item 3      News Release**

The news release was disseminated by Globenewswire on March 1, 2024 and it was filed on SEDAR+ and posted to the Company’s disclosure hall with the CSE on March 1, 2024.

**Item 4      Summary of Material Change**

The Company closed the first tranche of a non-brokered private placement on February 29, 2024, by way of the issuance of secured convertible promissory note (the “Notes”).

**Item 5      Full Description of Material Change**

**Item 5.1    Full Description of Material Change**

On February 29, 2024, the Company closed the first tranche of a non-brokered private placement of Notes in the principal amount of \$1,925,000 further to the Company’s news release dated November 5, 2024 (the “Offering”).

The Notes are secured by land and buildings. The Notes bears interest at a rate of 10% per annum for year 1, 15% per annum for year 2, and 20% per annum for the remaining 3 years (the “Term”). Repayment of the Notes shall be interest only payments paid annually on the anniversary dates for the first 24 months of the Term, then quarterly interest payments thereafter, and \$641,667 principal repayments on or before each Anniversary Payment Date until the remaining principal amount of the Notes are satisfied in full. Outstanding principal and unpaid interest from the Notes is convertible into common shares at a conversion price of \$0.05 per common share during the Term. The Note holders shall have the right to convert the Notes at any time, subject to a notice period. Additionally, the Company shall have the right to repay the Notes at any time during the Term together with prepayment of any remaining interest payable under the Notes.

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.

The proceeds of the Offering are to be used for upgrades to the equipment and facilities acquired in the acquisition transaction announced on February 5, 2024 and for preparation and development of the new site and facility.

Certain insiders of the Company participated in the first tranche of the Offering for an aggregate total of \$1,355,000 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 exceeds \$2,500,000. 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 first tranche 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**

Mark Aiken, Director  
Telephone: 604-687-2038

**Item 9 Date of Report**

March 5, 2024