

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Kootenay Zinc Corp. (“**Kootenay**” or the “**Company**”)
400 - 837 West Hastings Street, Vancouver, British Columbia
V6C 3N6

Item 2. Date of Material Change

June 23, 2020

Item 3. News Release

On June 24, 2020, Kootenay issued a press release with respect to the material change described below.

Item 4. Summary of Material Change

On June 23, 2020, Kootenay entered into business combination agreements with each of Canndora Delivery Ltd. (“**Canndora**”) and Greeny Collaboration Group (Canada) Inc. (“**Greeny**”) (the “**Business Combination Agreements**”) and a support agreement with Lifted Innovations Inc. (“**Lifted**”) (the “**Support Agreement**”), the whole in connection with the Company’s proposed business combination with Canndora, Greeny and Lifted (the “**Transaction**”).

Item 5. Full Description of Material Change

On June 23, 2020, Kootenay entered into the Business Combination Agreements with each of Canndora and Greeny and the Support Agreement with Lifted, the whole in connection with the Company’s proposed Transaction. The Transaction will result in a reverse takeover and change of business of the Company, and the resulting issuer from the Transaction (the “**Resulting Issuer**”) will continue as a combination of the businesses of Canndora, Greeny and Lifted as a media company that specializes in next generation e-commerce architecture, transforming eCommerce stores by making them more engaging, reliable and faster with marketplace connectivity.

The Company will, concurrently or prior to closing of the Transaction, complete a 23-1 share consolidation (the “**Consolidation**”) to reduce the number of common shares of the Company issued and outstanding from 14,964,324 pre-consolidated common shares to 650,623 post-consolidated common shares (“**Resulting Issuer Shares**”).

Pursuant to the Business Combination Agreements, the Company will structure the acquisition of all of the issued and outstanding shares of Canndora and Greeny as an amalgamation, pursuant to which Canndora shareholders will receive an aggregate of 18,260,870 Resulting Issuer Shares in exchange for their shares of Canndora and Greeny shareholders will receive an aggregate of 8,745,373 Resulting Issuer Shares in exchange for their shares of Greeny. As of June 23, 2020, the Company has received the approval of the Transaction from 100% of the issued and outstanding shares of both Canndora and Greeny.

Pursuant to the Support Agreement, the Company will structure the acquisition of Lifted as a

takeover bid (the “**Takeover Bid**”) supported by the board of directors of Lifted for 100% of the issued and outstanding shares of Lifted and options to acquire shares of Lifted, subject to a minimum deposit condition of 50.1% of Lifted common shares. As of June 23, 2020, the Company has entered into lockup agreements with Lifted shareholders (who have agreed to tender into the Takeover Bid) which represents approximately 61% of the issued and outstanding shares of Lifted.

The Company will seek shareholder approval of the Transaction and related matters at a shareholder meeting of the Company to be called following the preparation of meeting materials, and the Company will deliver a formal takeover bid offer to the shareholders and option-holders of Lifted following the preparation of these materials. The Transaction is subject to a number of conditions, including: (i) approval of the Canadian Securities Exchange; (ii) approval of the Company’s shareholders; (iii) completion of the Consolidation; and (vii) completion of a financing of a minimum of CAD \$500,000 and up to CAD \$1,500,000 (which the Company has increased from CAD \$1,000,000) (the “**Financing**”). Subject to the foregoing conditions being satisfied or, if applicable, waived, the Transaction is anticipated to close in August 2020.

Upon closing of the Transaction, the Company’s name will change to PeakBirch Logic Inc. In connection with the Transaction, the parties to the Transaction will settle various indebtedness of the Company via the issuance of Resulting Issuer Shares.

For illustrative purposes, it is anticipated that immediately following the closing of the Transaction, Financing and various shares for debt transactions (and assuming the acquisition of 100% of the issued and outstanding shares of Lifted under the Takeover Bid, and assuming the maximum Financing of \$1,500,000), there will be approximately 90,881,891 common shares of the Resulting Issuer outstanding, with, on a non-diluted basis, current Kootenay, Cannadora, Greeny and Lifted shareholders holding approximately 0.80%, 20.09%, 10.08%, 67.59% of the Resulting Issuer, respectively, and subscribers to the Financing holding approximately 1.44% of the Resulting Issuer. Outstanding options and warrants, as applicable, of Kootenay, Cannadora, Greeny and Lifted will be converted on a pro-rata basis into options and warrants of the Resulting Issuer. It is anticipated that a portion of the issued and outstanding shares of the Resulting Issuer will be subject to the escrow requirements of applicable securities laws. Also, Resulting Issuer shares issued under to Lifted shareholders and Greeny shareholders will be subject to a voluntary hold period of 4 months from the closing of the Transaction.

Additionally, the Company announced that Marcos Kraemer will no longer serve on the Board of the Resulting Issuer and will be replaced by Kang Yau. Mr. Yau has over 25 years accounting experience within various industries. He received a Certificate in Legal studies from the University of Hong Kong and now operates as a Finance Director in a construction company based in London, UK. He oversees the company’s day to day finances as well as always exploring opportunities for growth and tax saving.

Changes to Management and Board of the Company

The Company also announced that effective June 23, 2020, Tara Haddad has resigned as Interim CEO, CFO and director of the Company. Von Torres, a director of the Company, will replace Ms. Haddad as Interim CEO and CFO of the Company.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8. Executive Officer

Von Torres, Kootenay's Interim Chief Executive Officer, is knowledgeable about the material change and this report. His email address is von@essoscorporate.com.

Item 9. Date of Report

July 6, 2020

Forward-looking statements

Except for the statements of historical fact, this material change report contains "forward-looking information" within the meaning of the applicable securities legislation. The information in this material change report about future plans and objectives of the Company, are forward-looking information, including: the proposed Transaction and financing; and the intentions, plans and future actions of the Company. This forward-looking information is based on reasonable assumptions and estimates of management of the Company at the time it was made, and involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others: the Transaction and financing may not close on the terms and timing as currently anticipated, or at all; the COVID 19 crisis; the Transaction, if completed, may not result in any tangible benefits to the Company or shareholders; and other related risks as more fully set out in the Company's continuous disclosure record filed at www.sedar.com. The Company has also assumed that no significant events occur outside of the Company's normal course of business. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to revise or update any forward -looking information other than as required by law.