

FORM 51-102F3
MATERIAL CHANGE REPORT

ITEM 1. Name and Address of Company

Chemesis International Inc. (“Chemesis” or the “Company”)
P.O. Box 17559
Vancouver, BC, V6E 0B2

ITEM 2. Date of Material Change

July 8, 2021

ITEM 3. News Release

A news release with respect to the contents of this report was issued on July 8, 2021 and was disseminated through the facilities of recognized newswire services. A copy of the news release was filed on SEDAR.

ITEM 4. Summary of Material Change

The Company announced it has signed a sales and marketing partnership (the “Partnership”) with Cannaballers, an elite team of experienced CPG professionals.

ITEM 5. Full Description of Material Change

5.1 Full Description of Material Change

The Company announced it has signed a sales and marketing partnership (the “Partnership”) with Cannaballers, an elite team of experienced CPG professionals.

The partnership with Cannaballers allows Chemesis to bring the revolutionary VICKI AI CBD platform to market more effectively. The Cannaballers team will work to develop a marketing program that leverages the technology within the VICKI. The program will begin with a variety of product sets and placement locations, to collect and analyze data, and to build a roadmap for scaling the roll-out of the VICKI platform.

Cannaballers strong presence in the fitness industry aligns with Chemesis’ target verticals – fitness, healthcare, and high-traffic retail. Additionally, Cannaballers has access to a wide portfolio of retail chains enabling the program to expand to new test locations and demographics. This allows a greater variety of channels to identify and match the right products to the right locations, while building a rich database of consumer and sales information in the process

Please see the news release attached hereto for a full description of the material change.

5.2 Disclosure for Restructuring Transactions

Not applicable.

ITEM 6. Reliance on Subsection 7.1(2) of National Instrument 51-102

This report is not being filed on a confidential basis.

ITEM 7. Omitted Information

There are no significant facts required to be disclosed herein which have been omitted.

ITEM 8. Executive Officer

The name and business number of the executive officer of the Company who is knowledgeable of the material change and this report is:

Eli Dusenbury
Chief Financial Officer Telephone
778-953-4191

ITEM 9. Date of Report

July 8, 2021



Chemesis International Inc. Announces Sales & Marketing Partnership with Cannaballers

A robust product portfolio that includes 5 CBD brands that are known nationally across the United States

July 8, 2021

Vancouver, BC – Chemesis International Inc. (the “**Company**”) (CSE: CSI) (OTC: CADMF) (FRA: CWAB) is pleased to announce it has signed a sales and marketing partnership (the “**Partnership**”) with Cannaballers, an elite team of experienced CPG professionals.

The partnership with Cannaballers allows Chemesis to bring the revolutionary VICKI AI CBD platform to market more effectively. The Cannaballers team will work to develop a marketing program that leverages the technology within the VICKI. The program will begin with a variety of product sets and placement locations, to collect and analyze data, and to build a roadmap for scaling the roll-out of the VICKI platform.

President Josh Rosenberg commented, “This data will allow the Chemesis to deploy its machines with data driven insights based on consumer preferences. These insights are key to the success of any deployment, the data will be used to tweak all VICKI placements to ensure the highest possible return on investment. The Partnership is great for both sides as it gives retailers the help they need to manage or enter the category, distributors to receive automated replenishment orders and data patterns, and consumers who enjoy the education, interaction, premium content, and time saving benefits offered by the VICKI AI platform.”

Cannaballers strong presence in the fitness industry aligns with Chemesis’ target verticals – fitness, healthcare, and high-traffic retail. Additionally, Cannaballers has access to a wide portfolio of retail chains enabling the program to expand to new test locations and demographics. This allows a greater variety of channels to identify and match the right products to the right locations, while building a rich database of consumer and sales information in the process.

“With the challenges facing traditional retail, exacerbated by Covid, and labor shortages, the 'unattended space' of autonomous retail is the way forward for an in-demand, yet unmanageable product category with a typical shrink rate north of 40%,” said Melissa Loomis, Chief Officer of Supply Chain, for Cannaballers Sales & Marketing.

On Behalf of The Board of Directors

Josh Rosenberg

President

About Cannaballers Inc.

Cannaballers Sales & Marketing is an elite team of experienced CPG professionals and consultants in the CBD industry. Cannaballers seasoned team of veteran sales, distribution, and marketing leaders work in tandem with an extensive network of national broker partners, representing access to most retail chains as well as independent retail



Chemesis, Inc. (CSE: CSI) (OTC: CADMF) (FRA: CWAA)



opportunities across all channels of trade. Cannaballers also helps companies cut through the noise to turbocharge their impact and brand awareness with celebrity and influencer marketing.

About Chemesis International Inc.:

Chemesis International Inc. (CSE: CSI) (OTC: CADMF) is a U.S. focused multi-state cannabis company, that is focused on providing an artificially intelligent (AI) based retail solution. The Company currently holds exclusive rights to an AI based kiosk which can be deployed in high traffic areas such as, shopping malls, stadiums, transit hubs, workplaces, and large corporate headquarters.

Chemesis holds exclusive rights of the VICKI Intelligent Self-Checkout retail solution for sale of cannabis products across North America. Powered by artificial intelligence and other advanced technologies, VICKI is a modern replacement for traditional vending experiences and the first retail solution.

Investor Relations:

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1 (604) 398-3378

Forward-Looking Information: This news release contains "forward-looking information" within the meaning of applicable securities laws. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking information. Such forward-looking statements are subject to risks and uncertainties that may cause actual results, performance and developments to differ materially from those contemplated by these statements. Except as required by law, the Company expressly disclaims any obligation and does not intend to update any forward-looking statements or forward-looking information in this news release. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. The statements in this news release are made as of the date of this release.

The CSE has not reviewed, approved or disapproved the content of this press release