

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1: Name and Address of Reporting Issuer

Happy Belly Food Group Inc. (the “**Company**”)
400-1681 Chestnut Street
Vancouver, BC V6J 4M6

Item 2: Date of Material Change

April 3, 2023.

Item 3: News Release

A news release was issued and disseminated on April 3, 2023 and filed on SEDAR (www.sedar.com).

Item 4: Summary of Material Changes

The Company announced that it has closed the first tranche of its non-brokered private placement (the “**Private Placement**”). See Item 5 for details.

Item 5: Full Description of Material Change

The Company announced that it has closed the first tranche of its Private Placement of unsecured convertible debentures (the “**Debentures**”) with one strategic investor, raising gross proceeds of CDN\$1,000,000.00. Due to investor interest the financing was oversubscribed and a second tranche under the same terms and conditions is expected to close shortly.

Debenture Details

Each Debenture has a principal amount of \$1,000, a 60 month term earning interest at the rate of twelve percent (12%) per annum payable quarterly after the closing date, maturing on the date that is the fifth anniversary of the first date that the Debentures are issued (the “**Maturity Date**”) and are convertible at the holder's option into common shares of the Company every three months after the closing date but prior to the Maturity Date, into common shares at a conversion price equal to CDN\$0.30 per common share, provided that not less than 25% of the outstanding principal, and any interest amounts owed, is converted.

On the Maturity Date, any outstanding principal amount of the Debentures, plus any accrued and unpaid interest, shall be paid in cash. All securities issued in connection with the closing of the Private Placement are subject to a four-month and one-day statutory hold period in accordance with applicable securities laws.

Item 6: Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Executive Officer

For further information, please contact:

Happy Belly Food Group Inc.
Shawn Moniz, CEO
Contact: shawn@happybellyfg.com

Item 9: Date of Report

April 11, 2023.