

FORM 51-102F3
MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Awakn Life Sciences Corp.
217 Queen W, Suite 301
Toronto, ON M5V 0R3

2. **Date of Material Change**

April 25, 2023

3. **News Release**

Press releases disclosing the material change were released on April 12, 2023 and April 26, 2023 through the facilities of Newsfile Corp.

4. **Summary of Material Change**

On April 25, 2023, the Company closed the first tranche of a non-brokered private placement through the issuance of 2,392,858 units (each, a "**Unit**") in the capital of the Company at a price of \$0.46 per Unit for gross proceeds of \$1,100,715 (the "**Offering**"). Each Unit was comprised of one common share (each, a "**Common Share**") in the capital of the Company and one and three-quarters (0.75) of a Common Share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant entitles the holder thereof to acquire one Common Share at a price of \$0.63 for a period of five (5) years from the date of issuance.

5. **Full Description of Material Change**

Pursuant to the Offering, the Company issued 2,392,858 Units at a price of \$0.46 per Unit for gross proceeds of \$1,100,715.

In addition, the Company issued 70,000 Common Shares to Equasy Enterprises Ltd. Shares issued pursuant to an intellectual property transfer agreement dated March 8, 2021 between the Issuer, Awakn Life Sciences Inc., and Equasy Enterprises Ltd. (the "**IP Agreement**") as the Company fulfilled certain milestones set out in the IP Agreement.

Finally, the Company issued 100,000 Common Shares to former shareholders of Axonklinikken AS ("**Axon**") pursuant to a share exchange agreement (the "**Share Exchange Agreement**") between the Company, Axon and the shareholders of Axon dated September 15, 2021. The Company opened an additional clinic in Norway, which was a milestone in the Share Exchange Agreement, which triggered the issuance.

All securities issued in connection with the Offering, the Agreement or the Share Exchange Agreement are subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation.

The issuance to Equasy Enterprises Ltd. ("**Equasy**") pursuant to the IP Agreement constituted a "related party transaction" within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), as the beneficial owner and controller of Equasy is an officer of the.

The following supplementary information is provided in accordance with Section 5.2 of MI 61-

101.

(a) a description of the transaction and its material terms:

The Company issued 70,000 Common Shares to Equasy pursuant to the IP Agreement as the Company fulfilled certain milestones set out in the IP Agreement.

(b) the purpose and business reasons for the transaction:

The Company issued 70,000 Common Shares to Equasy pursuant to the IP Agreement as the Company fulfilled certain milestones set out in the IP Agreement.

(c) the anticipated effect of the transaction on the issuer's business and affairs:

The Company issued 70,000 Common Shares to Equasy pursuant to the IP Agreement as the Company fulfilled certain milestones set out in the IP Agreement.

(d) a description of:

(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:

Equasy, a company beneficially owned and controlled by Professor David Nutt, was issued 70,000 Common Shares upon the Company achieving certain milestones set out in the IP Agreement.

(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:

Prior to the completion of the Offering, Professor Nutt held, directly or indirectly 142,250 Common Shares, 75,125 Warrants and 120,000 stock options. Upon receipt of the 70,000 Common Share issuance pursuant to the IP Agreement, Professor Nutt beneficially owned and controls, directly or indirectly, an aggregate of 212,250 Common Shares, 75,125 Warrants and 120,000 stock options representing approximately 0.61% of the issued and outstanding Common Shares on an undiluted basis and approximately 1.15% on a partially diluted basis.

(e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:

A resolution of the board of directors was passed on March 24, 2021 approving the IP Agreement. No special committee was established in connection with the IP Agreement, and no materially contrary view or abstention was expressed or made by any director.

- (f) **A summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:**

Not applicable.

- (g) **disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction:**

- (i) **that has been made in the 24 months before the date of the material change report:**

Not applicable.

- (ii) **the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:**

Not applicable.

- (h) **the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:**

Other than IP Agreement, the Company did not enter into any agreement with an interested party or a joint actor with an interested party in connection with the Offering. To the Company's knowledge, no related party to the Company entered into any agreement with an interested party or a joint actor with an interested party, in connection with the IP Agreement.

- (i) **disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:**

The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the Common Shares issued to Equasy in connection with the IP Agreement does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101.

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

The report is not being filed on a confidential basis.

7. Omitted Information

No significant facts have been omitted from this Material Change Report.

8. Executive Officer

For further information, contact Jonathan Held, Interim CFO, Chief Business Officer and Secretary at (416) 270-9566.

9. Date of Report

This report is dated at Toronto, this 28th day of April, 2023.

Cautionary Statement Regarding Forward-Looking Information

This material change report contains certain "forward-looking information" within the meaning of applicable securities law. Forward looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "would", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Forwardlooking information is based on the opinions and estimates of management at the date the information is provided, and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. For a description of the risks and uncertainties facing the Company and its business and affairs, readers should refer to the Company's Management's Discussion and Analysis. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on forward-looking information.