

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**

June 14, 2023

3. **News Release**

A press release disclosing the material change was released on June 15, 2023 through the facilities of Newsfile Corp.

4. **Summary of Material Change**

On June 14, 2023, the Company closed the second tranche of a non-brokered private placement through the issuance of 1,884,204 units (each, a "**Unit**") in the capital of the Company at a price of \$0.46 per Unit for gross proceeds of \$886,734 (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 1,884,204 Units at a price of \$0.46 per Unit for gross proceeds of \$886,734 on the terms described above.

All securities issued in connection with the Offering 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 Offering 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 Company.

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 181,000 Units to Equasy pursuant to the Offering.

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

The proceeds from the Offering will be used by the Company for general working capital purposes.

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

The completion of the Offering will provide the Company with funds for general working

capital purposes.

(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, an officer of the Company, was issued 181,000 Units.

(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 212,250 Common Shares, 75,125 Warrants and 120,000 stock options. Upon receipt of the 181,000 Units pursuant to the Offering, Professor Nutt beneficially owns and controls, directly or indirectly, an aggregate of 393,250 Common Shares, 210,875 Warrants and 120,000 stock options representing approximately 1.07% of the issued and outstanding Common Shares on an undiluted basis and approximately 1.94% 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 April 24, 2023 approving the Offering. No special committee was established in connection with the Offering, 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 the subscription agreement for the Units, 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 Offering.

- (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 Offering does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Offering, which the Company deems reasonable in the circumstances in order to complete the Offering in an expeditious manner. The Offering was approved by all independent directors of the Company.

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 20th day of June, 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.

Forward-looking 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.