FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. ***Name and Address of Company***

InnoCan Pharma Corporation (the "**Company**" or "**InnoCan**")
10 Hamenofim Street
Herzliya, Israel 4672561

Item 2. ***Dates of Material Change***

August 30, 2020;
September 3, 14, 15, 2020; and
October 9, 15, 19, 23, 27, 2020.

Item 3. ***News Release***

The press releases disclosing the material changes were released on September 3, 14, 15, 2020 and October 9, 15, 19, 23, 27, 2020 through the facilities of Newsfile Corp.

Item 4. ***Summary of Material Change***

- On **September 3, 2020**, the Company announced that Mackie Research Capital Corporation's institutional sales group issued an updated Enterprise report on the Company. This Report is based upon general comments with no ratings and should not be construed to be a research report.
- On **September 14, 2020**, the Company announced that their board of directors had agreed to amend the terms of certain common share purchase warrants held by Tamar Innovest Ltd. (formerly, Solsken Ltd.) ("**Tamar**"). The Warrants were issued by the Company on April 15, 2019 and consist of (a) 13,981,916 Warrants at an exercise price of US$0.1252 expiring April 15, 2021 pursuant to Warrant Certificate No. A-1 to A-7 and (b) 2,000,000 Warrants at an exercise price of US $0.175 expiring August 15, 2021 pursuant to Warrant Certificate No. B-1 to B-7. The Amendments as noted below would be effective as of August 30, 2020. Tamar is a company managed by Ralph Bossino, a director of the Company and as such, the Amendments constitute a "**related party transaction**" under Multilateral Instrument 61-101. The Company intends to rely on the exemptions from the valuation and the minority approval requirements of MI 61-101 provided for in subsections 5.5(a) and 5.7(a) of MI 61-101.
- On **September 15, 2020**, the Company announced the successful completion of cosmetic clinical studies conducted by an independent research laboratory: INOVAPOTEK, Pharmaceutical Research and Development, demonstrating the efficacy of its SHIR™ Premium CBD Facial Serum on skin hydration. In addition, the research laboratory completed a clinical controlled study for the evaluation of the acute cutaneous irritation potential of cosmetic products.
- On **October 9, 2020**, the Company announced that it had achieved a major milestone in developing its unique CBD-loaded Liposome Platform Technology for injectable CBD and that an animal study on mice, demonstrated a prolonged release of CBD into the blood for at least three weeks after one administration. This study was conducted by The Hebrew University of Jerusalem, Israel based on Innocan's licensed CBD loaded liposome platform technology ("**LPT**") for injectable CBD.
- On **October 15, 2020**, the Company announced that it completed a cosmetic clinical study on 20 volunteers that presented a 90 - 95% facial skin wrinkle reduction after using its SHIR™ Premium CBD FacialSerum. The findings of the clinical study were consistent with the main principles of ICH GCP, Helsinki declaration and Portuguese legal requirements.

- On **October 19, 2020**, the Company announced that a Clinical Study, conducted by Dr. Josef Geldwert and the Center for Podiatric Care & Sports Medicine in New York indicates that more than 90% of participants experienced reduction in pain after using Innocan's Relief & Go OTC Pain Relief Spray. Dr. Geldwert serves as advisor on Innocan Pharma's Scientific Advisory committee.
- On **October 23, 2020**, the Company announced the publication of two scientific articles supporting Innocan's approach of using CBD-Loaded Exosomes (CLX) for the treatment of COVID-19. The first paper entitled, "*Potential application of mesenchymal stem cells and their exosomes in lung injury: an emerging therapeutic option for COVID-19 patients*" published in the Journal of Stem Cell Research & Therapy on October 15, 2020 and the second paper entitled, "*Cannabidiol (CBD) modulation of apelin in acute respiratory distress syndrome*" published in the Journal of Cellular and Molecular Medicine on October 15, 2020.
- On **October 27, 2020**, the Company announced that its R&G Relief & Go™ CBD Spray product has successfully passed the detailed safety assessment requirements under Regulation No 1223/2009 of The European Parliament and of the Council on Cosmetic Products and has received a Cosmetic Product Safety Report ("**CPSR**") for product marketing in the European Union.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

1. On **3 September, 2020**, the Company announced that Mackie Research Capital Corporation's institutional sales group issued an updated Enterprise report on the Company. This Report provides valuable insight into companies that embody value-add for investors, have distinguished themselves among their peers and are bringing innovative and creative ideas into action.

   Mackie Research's analyst, Yue (Toby) Ma, Ph.D., indicated in the updated Enterprise report that Innocan's potential catalysts are:

   - Clinical Catalyst: Pre-clinical data of CLX in COVID-19 is expected in 9 to 12 months.
   - Licensing Catalyst: Innocan is looking to out-license CLX and the liposome product before Phase 1 trials.
   - Commercial Catalyst: Innocan's CBD-based consumer health products are expected to be launched in several international markets in Q4 2020. The company is looking to sign more regional distribution agreements going forward.

   This Enterprise report is based upon general comments with no ratings and should not be construed to be a research report.

2. On **September 14, 2020**, the Company announced that their board of directors agreed to amend the terms of certain common share purchase warrants (the "**Warrants**") held by Tamar Innovest Ltd. (formerly, Solsken Ltd.) ("**Tamar**").

   The Warrants were issued by the Company on April 15, 2019 and consist of: (a) 13,981,916 Warrants at an exercise price of US $0.1252 expiring April 15, 2021 pursuant to Warrant Certificate No. A-1 to A-7; and (b) 2,000,000 Warrants at an exercise price of US $0.175 expiring August 15, 2021 pursuant to Warrant Certificate No. B-1 to B-7.

   The Company and Tamar would amend the Warrants as follows (the "**Amendments**"):

   - to include a cashless exercise provision;
   - to require the Company to provide notice to Tamar in the event that the early exercise provision is triggered;

- to provide confirmation that as of the date of the Amendments, the early exercise provision has not been triggered;
- to clarify the methodology to determine when the early exercise provision is triggered; and
- to extend the expiry dates of the Warrants from April 15, 2021 and August 15, 2021 to April 15, 2023 and August 15, 2023, respectively.

The Amendments were effective as of August 30, 2020.

Tamar is a company managed by Ralph Bossino, a director of the Company. As such, the Amendments constitute a "**related party transaction**" under Multilateral Instrument 61-101 - Protection of Minority Securityholders in Special Transactions ("**MI 61-101**"). The Company intends to rely on the exemptions from the valuation and the minority approval requirements of MI 61-101 provided for in subsections 5.5(a) and 5.7(a) of MI 61-101, respectively, as the fair market value of the subject of the Amendments, in relation to Ralph Bossino, will not represent more than 25% of the Company's market capitalization, as determined in accordance with MI 61-101. The Amendments have been approved by the directors of the Company who are independent in connection with such transactions.

3. On **September 15, 2020**, the Company announced that it completed a cosmetic clinical study conducted by an independent research laboratory: INOVAPOTEK, Pharmaceutical Research and Development in Portugal, examining the impact of its SHIR™ Premium CBD Facial Serum containing 300 mg of Cannabidiol ("**CBD**") (the "**Serum**") on skin hydration. The study aimed to assess the hydrating efficacy of the Serum in vivo, by measuring the skin capacitance for a period of 2, 4, 8 and 24 hours after the CBD Serum application on the skin. The results demonstrated that there were significant hydration increases for each period. The Serum was well tolerated with no uncomfortable symptoms or feelings reported by the subjects of the study.

   In addition, the research laboratory completed a clinical controlled study for the evaluation of the acute cutaneous irritation potential of cosmetic products. All of the SHIR™ Derma Cosmetic products tested to date have demonstrated to be non-irritating under the test conditions.

4. On **October 9, 2020**, the Company announced that it achieved a major milestone in developing its unique CBD-loaded Liposome Platform Technology for injectable CBD and that an animal study on mice, demonstrated a prolonged release of CBD into the blood for at least three weeks after one administration. This study was conducted by The Hebrew University of Jerusalem, Israel based on Innocan's licensed CBD loaded liposome platform technology ("**LPT**") for injectable CBD.

   The study which was led by Dr. Ahuva Cern, Senior Researcher in the lab of Prof. Berenholz, was conducted in The Hebrew University of Jerusalem laboratories on over 35 mice and found significant amounts of CBD in the mice's blood 21 days after they were injected with a single injection of liposomal CBD using Innocan's CBD loaded LPT.

   These results are substantial when comparing the oral or smoking administration of CBD, in which CBD was found in the blood of mice only for a period of up to 36 hours after one administration and open the door for future experiments to prove the lack of toxicity and beneficial therapeutic efficacy of the formulations.

5. On **October 15, 2020**, the Company announced that that it completed a cosmetic clinical study on 20 volunteers that presented a 90 - 95% facial skin wrinkle reduction after using its SHIR™ Premium CBD FacialSerum.

The following are the results of the application of the SHIR - Innocan Pharma Facial Serum with 300 mg of CBD after 28 days of using the serum twice a day:

The percentage of the subjects	The subjects considered after using the SHIR™ Premium Facial Serum for 28 days
90%	The skin with less wrinkles
95%	With finer expression lines
100%	The anti-wrinkles effect is the **most appreciated** product's effect
90%	A more even skin tone
80%	A depigmenting effect
85%	The skin was more moisturized
90%	Evaluated the product as good to very good

The clinical study was conducted by UPTEC, Science and Technology Park of the University of Porto, Portugal which is an independent lab. The findings of the clinical study were consistent with the main principles of ICH GCP, Helsinki declaration and Portuguese legal requirements.

6. On **October 19, 2020**, the Company announced that a Clinical Study, conducted by Dr. Josef Geldwert and the Center for Podiatric Care & Sports Medicine in New York indicates that more than 90 % of participants experienced reduction in pain after using Innocan's Relief & Go OTC Pain Relief Spray. The clinical study was conducted on 18 participants: 10 participants with chronic pain and 8 participants with pain associated with other circumstances. Most participants described their pain before using the spray as throbbing and uncomfortable and a few described their pain as distressing. The location of the pain varied from the upper extremities of the back to the lower extremities and feet.

   - After 20 minutes 83% of participants noticed immediate improvement in pain.
   - After 60 minutes 95% of participants noted relief from pain.
   - After 24 hours almost 90% noted relief from pain.
   - 15 of the 18 participants would recommend the Relief and GO pain spray.

   The Center for Podiatric Care & Sports Medicine in New York specializes in treating chronic problems resulting from sports injuries and active lifestyles. Dr. Josef Geldwert has over 40 years of experience in foot surgery, biomechanics, and sports injuries. In addition, he has been a medical authority to numerous professional sports teams and also serves as advisor on Innocan Pharma's Scientific Advisory committee.

   Innocan Pharma's Relief & Go Pain Relief Spray is a patent pending Over-The-Counter solution designed to relieve pain by combing three different mechanisms in one product: Menthol and Methyl salicylate with CBD and Magnesium.

7. On **October 23, 2020**, the Company announced the publication of two scientific articles supporting Innocan's approach of using CBD-Loaded Exosomes (CLX) for the treatment of COVID-19. The first paper entitled, "*Potential application of mesenchymal stem cells and their exosomes in lung injury: an emerging therapeutic option for COVID-19 patients*" published in the Journal of Stem Cell Research & Therapy on October 15, 2020 outlined that mesenchymal stem cells (MSCs) and their exosomes have potential therapeutic functions in the handling of COVID-19. Specifically, the study demonstrated that exosomes have the ability to enhance alveolar fluid clearance and promote epithelial and endothelial recovery through secretion of protective factors.

The second paper entitled, "*Cannabidiol (CBD) modulation of apelin in acute respiratory distress syndrome*" published in the Journal of Cellular and Molecular Medicine on October 15, 2020, demonstrated that the non-psychoactive reagent in cannabis (CBD) can significantly reduce the lung damage induced by cytokine storms (which is a physiological reaction in humans and other animals in which the innate immune system causes an uncontrolled and excessive release of pro-inflammatory signaling molecules called cytokines) caused by COVID-19.

8. On **October 27, 2020**, the Company announced that its R&G Relief & Go™ CBD Spray product successfully passed the detailed safety assessment requirements under Regulation No. 1223/2009 of The European Parliament and of the Council on Cosmetic Products and has received a Cosmetic Product Safety Report ("**CPSR**") for product marketing in the European Union.

   Innocan Israel, a wholly owned subsidiary of the Company, with its patent-pending unique formulation "**Relief & Go CBD Spray**" combines the known benefits of active ingredients such as Menthol and Camphor with CBD and Magnesium (more than 40% in the formula) to help the body relax and recover for sport-performing professionals.

- *5.2 Disclosure for Restructuring Transactions*

  Not Applicable

Item 6. ***Item 6 - Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102 – Continuous Disclosure Obligations***

Not Applicable

Item 7. ***Item 7 - Omitted Information***

No information has been omitted from this material change report.

Item 8. ***Executive Officer***

Iris Bincovich, Chief Executive Officer
+972-54-3012842

Item 9. ***Date of Report***

November 02, 2020