

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

1. **Name and Address of Company**

Canbud Distribution Corporation (the “**Corporation**”)
Suite 2500, 120 Adelaide Street West
Toronto, Ontario M5H 1T1

2. **Date of Material Change**

November 24, 2020

3. **News Release**

A press release disclosing the material change were released on November 24, 2020, through the facilities of Newsfile Corp.

4. **Summary of Material Change**

The Corporation announced the closing of a non-brokered private placement financing (the “**Offering**”) of gross proceeds of \$500,000 through the issuance of 5,000,000 units (each, a “**Unit**”) at a price of \$0.10 per Unit.

5. **Full Description of Material Change**

In connection the Offering, the Company issued 5,000,000 Units at a price of \$0.10 per Unit for gross proceeds of \$500,000. Each Unit is comprised of one common share in the capital of the Corporation (each a “**Common Share**”) and one common share purchase warrant (each a “**Warrant**”). Each Warrant entitles the holder to purchase one additional Common Share at an exercise price of \$0.20 on or before November 24, 2021 (the “**Warrant Term**”), provided, however that if the closing price of the Common Shares on the Canadian Securities Exchange (or any such other stock exchange in Canada as the Common Shares may trade at the applicable time) is \$0.30 or greater per Common Share for a period of five (5) consecutive trading days at any time after the closing date of the Offering, the Corporation may accelerate the Warrant Term such that the Warrants shall expire on the date which is 30 business days following the date a press release is issued by the Corporation announcing the reduced warrant terms.

Gross proceeds raised from the Offering will be used for working capital and general corporate purposes. The securities issued upon closing of the Offering are subject to a statutory four month hold period ending on March 25, 2021, pursuant to applicable securities laws.

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 Robert Tjandra, President of the Corporation at (416) 847 7312.

9. **Date of Report**

This report is dated at Toronto, this 24th day of November, 2020.

Notice Regarding Forward Looking Information

Certain information set forth in this material change report may contain forward-looking information that involves substantial known and unknown risks and uncertainties. This forward-looking information is subject to numerous risks and uncertainties, certain of which are beyond the control of the Corporation, including, but not limited to, the impact of general economic conditions, industry conditions and dependence upon regulatory approvals. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward looking information. The Corporation undertakes no obligation to update forward-looking information except as otherwise may be required by applicable securities law.