

Form 51-102F3

Material Change Report

Item 1 **Name and Address of Company**

Champignon Brands Inc. (the “Issuer”)
Suite 2300 - 1177 West Hastings Street
Vancouver, BC
V6E 2K3

Item 2 **Date of Material Change**

March 27, 2020

Item 3 **News Release**

The news release was disseminated through Globenewswire and was filed on SEDAR on March 27, 2020.

Item 4 **Summary of Material Change**

The Issuer announced it has entered into a definitive agreement to acquire Tassili Life Sciences Corp. (“Tassili”), expanding the Company’s preclinical trial pipeline, as well as its aggregation of broad intellectual property (IP) related to the development of novel psychedelics therapeutics and their delivery systems, targeting multiple pathological psychological diseases.

Item 5 **Full Description of Material Change**

Item 5.1 **Full Description of Material Change**

Please see the attached news release dated March 27, 2020.

Item 5.2 **Disclosure for Restructuring Transactions**

Not applicable.

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

Not applicable.

Item 7 **Omitted Information**

Not applicable.

Item 8 **Executive Officer**

W. Gareth Birdsall
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Item 9 **Date of Report**

March 27, 2020



champignon
B R A N D S

CHAMPIGNON BRANDS INC.

NEWS RELEASE

CHAMPIGNON EXPANDS PRECLINICAL PIPELINE WITH MEASURED PSILOCYBIN DOSAGES STUDIES AT UNIVERSITY OF MIAMI

VANCOUVER, British Columbia, March 27, 2020 – Champignon Brands Inc. (“**Champignon**” or the “**Company**”) (CSE: **SHRM**) (FWB: **496**) (OTC: **SHRMF**), a health and wellness company specializing in the formulation of medicinal mushrooms health products and novel delivery platforms for the pharmaceutical and nutraceutical industries, has entered into a definitive agreement to acquire Tassili Life Sciences Corp. (“Tassili”), expanding the Company’s preclinical trial pipeline, as well as its aggregation of broad intellectual property (IP) related to the development of novel psychedelics therapeutics and their delivery systems, targeting multiple pathological psychological diseases.

Tassili, in partnership with a multidisciplinary team of scientists and physicians at the University of Miami are working to develop effective psilocybin-based therapeutics for the treatment of mild traumatic brain injuries (mTBI) and/or post-traumatic stress disorder (PTSD).

TRIALS UNDERWAY

Under a collaborative research agreement with the University of Miami’s Miller School of Medicine (“U of M”), Tassili will conduct preclinical studies and eventual human clinical trials with the objective of demonstrating safety and efficacy of the combination of psilocybin and cannabidiol in treating mTBI with PTSD or standalone PTSD. Final results are expected in 2021.

Under the terms of the agreement with U of M, Tassili will retain all exclusive rights to inventions, data and IP discovery resulting from the studies which are being led by Dr. Michael Hoffer, professor of otolaryngology and neurological surgery at University of Miami’s Miller School of Medicine.

“Mild traumatic brain injury, especially concussion, is a significant cause of morbidity worldwide,” said Dr. Hoffer. “What many do not realize is that TBI often occurs alongside PTSD. Up to 40% of people impacted by mTBI, a head injury causing a temporary change in mental status or consciousness, or TBI in general, also suffer from PTSD. This combination of mTBI and PTSD is even more common in U.S military members and presents a vast patient population to service and potentially heal with our novel therapeutics under development.”

PSILOCYBIN PATENT PORTFOLIO

Tassili has filed four provisional patents, one of which relates to its ongoing study with the University of Miami. In collaboration with university research institutes, Tassili intends to demonstrate that the clinical and physiological effectiveness in PTSD and obsessive-compulsive disorder (OCD) are enhanced by timely measured dosages of psilocybin and cannabidiol, with superior clinical results as measured by objective outcomes.

Management's vision is to administer a proven and proprietary combination of psilocybin and CBD in certified drug as well as psychotherapeutic clinics once human clinical trials are completed and the combination is approved by applicable regulatory agencies.

Management also believes that increased specificity to ensure approved, appropriate, standardized and dignified methods of treatment will result from novel delivery systems suiting recovery solutions to specific indications. Three of the Company's provisional patents relate to this important part of the drug to patient relationship.

George Scorsis, Chairman of Tassili, stated, "Our development program is championed by the University of Miami, a major U.S. research institution with a worldwide reputation in TBI research and treatment. Working with the University of Miami we aim to shift the mainstream perceptions about psychedelics by establishing the scientific underpinnings of the two compounds' medical benefits and then developing a prescription-based therapeutic medicine for this combined disorder and a number of other disorders on the horizon, such as obsessive-compulsive disorder (OCD)."

TERMS

Under the terms of the agreement, Champignon will acquire 100% of the issued and outstanding shares of Tassili for total consideration of 16 million common shares in the capital of the Company. A finder's fee is applicable to this transaction.

About Champignon Brands Inc.

Champignon Brands Inc. (CSE: SHRM) is a research-driven company specializing in the formulation of a suite of medicinal mushrooms health products, as well as novel ketamine, anaesthetics and adaptogenic delivery platforms for the nutritional, wellness and alternative medicine industries. Via its vertically integrated alternative medicine product range, Champignon is pursuing the development and commercialization of rapid onset treatments capable of improving health outcomes, such as depression and post-traumatic stress disorder (PTSD), as well as substance and alcohol use disorders. Champignon continues to be inspired by sustainability, as its medicinal mushroom-infused SKUs are organic, non-GMO and vegan certified. For more information, visit the Company's website at: <https://champignonbrands.com/>.

ON BEHALF OF THE BOARD OF DIRECTORS

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The CSE and Information Service Provider have not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

Forward-looking Information Cautionary Statement

Except for statements of historic fact, this news release 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" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements including, but not limited to delays or uncertainties with regulatory approvals, including that of the CSE. There are uncertainties inherent in forward-looking information, including factors beyond the Company's control. There are no assurances that the business plans for Champignon Brands described in this news release will come into effect on the terms or time frame described herein. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company's filings with Canadian securities regulators, which are available at www.sedar.com.