

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

April 9, 2020

Item 3 News Release

The news release was disseminated through Globenewswire and was filed on SEDAR on April 9, 2020.

Item 4 Summary of Material Change

The Issuer has announced that it has entered into a definitive agreement (the “Agreement”) to acquire 100% of AltMed Capital Corp.

Item 5 Full Description of Material Change

Item 5.1 Full Description of Material Change

Please see the attached news release dated April 9, 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

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Item 9 Date of Report

April 9, 2020



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B R A N D S

CHAMPIGNON BRANDS INC.

NEWS RELEASE

CHAMPIGNON TO ACQUIRE ALTMED CAPITAL CORP., CONTRIBUTING HEALTH CANADA'S ONLY APPROVED PSYCHEDELIC MEDICINE CLINIC, SOPs FOR CLINICAL EXPANSION, EXISTING IP & MULTIPLE TRIALS

VANCOUVER, British Columbia, April 9, 2020 – Champignon Brands Inc. (“**Champignon**” or the “**Company**”) (CSE: **SHRM**) (FWB: **496**) (OTC: **SHRMF**), a human optimization sciences company focused on applying novel and natural treatment protocols to address a broad range of disorders and deficiencies with an emphasis on psychedelic medicine, continues to accelerate its advancements within the psychedelic medicine arena via the acquisition of a leading Canadian ketamine clinic operator, psychedelic medicine IP aggregator and novel drug discoverer (the “**Transaction**”). To this extent, the Company is pleased to announce that it has entered into a definitive agreement (the “**Agreement**”) to acquire 100% of AltMed Capital Corp. (“**AltMed**”).

PERSONNEL

AltMed’s chief executive officer, Dr. Roger McIntyre, is a professor of psychiatry and pharmacology at the University of Toronto and head of the Mood Disorders Psychopharmacology Unit at the University Health Network, Toronto, Canada. Dr. McIntyre is also executive director of the Brain and Cognition Discovery Foundation in Toronto; director, co-chair of the Scientific Advisory Board of the Depression and Bipolar Support Alliance (DBSA) in Chicago, Illinois; professor and Nanshan Scholar at Guangzhou Medical University; and adjunct professor at the College of Medicine at Korea University. Furthermore, Dr. McIntyre is a clinical professor at the State University of New York (SUNY) Upstate Medical University, Syracuse, New York, and a clinical professor, Department of Psychiatry and Neurosciences, University of California School of Medicine, Riverside, California.

Clarivate Analytics has named Dr. McIntyre one of “The World’s Most Influential Scientific Minds” each year from 2014-2019. Dr. McIntyre is widely regarded as the world’s most recognized psychiatrist in relation to mood disorders. He has extensive experience collaborating with private-sector partners, including but not limited to entities within the pharmaceutical industry, the insurance industry and the health care industry in Canada, the United States and globally.

Dr. McIntyre has published over 600 articles on the topic of mood disorders along with an extensive number of books and chapters, and he has delivered thousands of lectures nationally and internationally on the topic of mood disorders.

Dr. McIntyre had the vision to implement and develop Canada’s first-ever treatment center providing rapid onset treatments for persons with mood disorders, The Canadian Rapid Treatment Centre of Excellence (the “**CRTCE**”). The CRTCE is involved in knowledge application (using existing scientific research to improve outcomes in depression, PTSD and substance and alcohol use disorders [DPS]); knowledge generation (new research and development); as well as knowledge application (educating health care providers throughout North America and the world on new rapid onset treatments for DPS).

The CRTCE is the only center in North America and globally to demonstrate that rapid onset treatments improve health outcomes in one to two weeks and get people back to work, which is of enormous importance to individuals as well as payers in the private space.

AltMed's board of directors is led by Pat McCutcheon, who most recently, as the founder of the highly successful MediPharm Labs Corp. ("MediPharm") (TSX: LABS), identified an important, overlooked segment of the burgeoning cannabis market and became the first significant pure-focused play on cannabis extraction and API manufacturing. Mr. McCutcheon was paramount in raising considerable capital to finance MediPharm's vision, thus creating a top five revenue-generating company within the Canadian cannabis industry in the span of three years.

Prior to MediPharm, Mr. McCutcheon held top sales roles, successfully launching a wide range of medical products during his tenure as the head of the Hospital Division for Renal and Mental Health Products at Jansen Pharmaceuticals (Johnson & Johnson). Mr. McCutcheon holds an Honors Bachelor of Science degree in biology from the University of Western Ontario.

ALTMED

AltMed is a Canadian ketamine clinic operator, psychedelic medicine IP aggregator and novel drug discoverer. AltMed has a suite of assets that will accelerate Champignon's multi-pronged business strategy, enabling Champignon to reach the consumer directly via rapid onset medical treatments, with an anticipated rollout of new clinical entities (NCEs) already identified and to be opened across the United States and Canada. Five new clinics in key markets, including New York, Florida and California, are anticipated to be fully operational by Q4 2020.

AltMed's asset portfolio is comprised of the following:

CRTCE & ASSOCIATED SOPs FOR SIGNIFICANT CLINIC ROLLOUT

AltMed owns 75% of the CRTCE, a fully operational ketamine clinic located in Mississauga, Ontario, with over 18 months of operating history. The CRTCE is licensed (2018) by the College of Physicians and Surgeons Ontario (CPSO) under OHPP (Out of Hospital Premise Program) to administer ketamine treatments for indications including but not limited to depression, bipolar disorder, post-traumatic stress disorder (PTSD) and obsessive-compulsive disorder (OCD).

CRTCE is the only vertically integrated rapid onset treatment centre operating from proof-of-concept to human clinical trials and publication, with study results in peer-reviewed journals by the world's leading experts in psychopharmacology. The CRTCE also serves as a rapid onset treatment training and education center for medical professionals and is equipped with a co-located pharmacy.

The clinic has been licensed by Health Canada to dose eligible patients with psilocybin and is the only clinic in Canada to perform psilocybin doses under Health Canada approval.

Champignon and AltMed will begin to roll out a network of subspecialty therapeutic clinics as a complementary, follow-on service for individuals and families who are suffering from the effects of addiction, depression, PTSD and anxiety disorders. Through continued R&D initiatives, the CRTCE plans to expand its clinical footprint via the establishment of NCEs for ketamine, psilocybin and MDMA, as well as pursue partnerships with the broader pharmaceutical industry.

PSYCHEDELIC MEDICINE, NOVEL DRUG DISCOVERY & TRIALS

With this acquisition, Champignon will now have three trials in the Phase I stage and three trials in the preclinical stage during 2020. The Company will also have seven IP patents for its ketamine/psilocybin delivery platforms and formulations.

AltMed maintains a preferred commercial relationship with Canada's largest neuroscience-focused preclinical contract research organization (CRO), InterVivo Solutions. The entities are collaborating to expedite Phase I testing and novel drug development of psychedelic molecules and proprietary delivery systems.

Champignon and AltMed plan to advance psychedelic-derived treatments and establish, via human clinical trials, the most compelling IP portfolio, clinical pipeline and drug development platform in the psychedelic medicine space. In H2 2020, AltMed will commence both comprehensive R&D campaigns as well as clinical trials, to be led and administered by leading M.D.s, clinicians and researchers targeting the following indications:

- Treatment-Resistant Depression (Dr. Roger McIntyre)
- Addiction (Dr. Peggi Shepherd DeGroote)
- PTSD/Traumatic Brain Injury (Dr. David Greenberg and Dr. Michel Rathbone)
- Aging/Dementia (Dr. DW Molloy)
- Anxiety/Obsessive-Compulsive Disorder (Dr. Michael Van Amerigan)

TRANSACTION COMMENTS

"Founded and operated by Dr. McIntyre, the CRTCE has the human capital and unmatched R&D capabilities, with respect to rapid onset treatments such as ketamine, to revolutionize the treatment of depression, PTSD and substance use disorders," stated Gareth Birdsall, CEO of Champignon. "Champignon and AltMed will leverage Dr. McIntyre's expertise, alongside the CRTCE's existing SOPs, data-driven research sets and practitioner education modules, to roll out five unique ketamine clinics across Florida, California and the U.S. Eastern Seaboard. Our additional ketamine clinics are projected to be fully operational by Q4 2020. Furthermore, having previously completed funding rounds, our acquisition of AltMed will further bolster our corporate treasury."

Pat McCutcheon, director of AltMed, stated: "Together with Champignon's existing novel ketamine delivery platforms, associated patents/IP and now advanced clinical infrastructure, we will look to deliver approved, point-of-care psychedelic treatments in clinics throughout Canada and the United States. Ketamine, psilocybin and MDMA have all been fast-tracked by the FDA and Health Canada with respect to R&D in DPS, and we will look to monetize our capabilities and human capital within this domain. Led by our accomplished operational team, comprised of experienced clinicians, academics and thought leaders within dynamic, blue-sky industries, we will be the global leader with regard to the application of rapid onset treatments and will continue to be a first-in-class, vertically integrated center that champions R&D, clinical research, knowledge translation, vocational rehabilitation and psychotherapeutics, offering patient populations a wholesome and comprehensive treatment ecosystem."

TERMS

Under the terms of the Agreement, Champignon will acquire 100% of the issued and outstanding shares of AltMed for total consideration of 55,124,000 common shares, common shares in the capital of the company (the "**Consideration Shares**"), of which 16,522,000 will be subject only to applicable hold periods under securities legislation and 38,602,000 will be subject to voluntary resale restrictions and released in five equal tranches every three months with the first release commencing thirty days following

closing. Additionally, 3,391,500 share purchase warrants will be issued in exchange for the cancellation of outstanding exercised AltMed share purchase warrants. The Transaction remains subject to AltMed shareholder approval. 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. Under a collaborative research agreement with the University of Miami's Miller School of Medicine, the Company is conducting 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 stand-alone PTSD. 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.