

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

ITEM 1. Name and Address of Company

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

ITEM 2. Date of Material Change

June 11, 2020

ITEM 3. News Release

A news release with respect to the material change was disseminated by the Company on June 11, 2020 through Globe Newswire (the “**News Release**”).

ITEM 4. Summary of Material Change

On June 11, 2020, the Company announced the closing of its previously announced “bought deal” private placement of 17,647,500 units of the Company for aggregate gross proceeds of \$15,000,375 which includes the full exercise of the over-allotment option granted to the underwriters.

ITEM 5. Full Description of Material Change

See the full text of the News Release attached hereto as Schedule “A”.

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

Matthew Fish
President and Secretary
T: +1 604 525-9409
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ITEM 9. Date of Report

June 11, 2020.

Schedule "A"



*NOT FOR DISTRIBUTION TO UNITED STATES NEWS WIRE SERVICES OR FOR DISSEMINATION
IN THE UNITED STATES*

NEWS RELEASE

**CHAMPIGNON ANNOUNCES CLOSING OF \$15 MILLION BOUGHT DEAL PRIVATE
PLACEMENT**

VANCOUVER, British Columbia, June 11, 2020 – Championon Brands Inc. (“**Championon**” or the “**Company**”) (CSE: **SHRM**) (FWB: **496**) (OTCQB: **SHRMF**), a human optimization sciences company with an emphasis on ketamine and psychedelic medicine, is pleased to announce the closing of its previously announced "bought deal" private placement (the “**Offering**”) of units of the Company (“**Units**”) for aggregate gross proceeds of \$15,000,375 which includes the full exercise of the option granted to the Underwriters (as defined below).

A total of 17,647,500 Units were sold pursuant to the Offering at a price of \$0.85 per Unit. Each Unit is comprised of one common share of the Company (a “**Common Share**”) and one-half of one Common Share purchase warrant of the Company (each whole warrant, a “**Warrant**”). Each Warrant entitles the holder thereof to acquire one Common Share (a “**Warrant Share**”) at a price of \$1.15 per Warrant Share until June 11, 2022. The Offering was completed by a syndicate of underwriters co-led by Canaccord Genuity Corp. and Eight Capital, and includes Gravitas Securities Inc. (collectively, the “**Underwriters**”). All securities issued pursuant to the Offering are subject to a statutory four month and one day hold period.

The Company intends to use the net proceeds of the Offering for the Company’s North American clinical expansion program as well as for general working capital purposes.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any U.S. state securities laws, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) absent registration under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available.

About Championon Brands Inc.

Championon Brands (CSE: **SHRM**) (FWB: **496**) (OTCQB: **SHRMF**) is focused on the formulation and manufacturing of novel ketamine, anaesthetics, and adaptogenic delivery platforms for nutraceutical and psychedelic medicine while being supported by a leading psychedelics medicines clinic platform. The Company 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

Dr. Roger McIntyre
Chief Executive Officer
[E: info@champignonbrands.com](mailto:info@champignonbrands.com)

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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

This news release contains forward-looking statements within the meaning of applicable securities laws. All statements that are not historical facts, including without limitation, statements regarding the intended use of the net proceeds of the Offering, future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations or beliefs of future performance are "forward-looking statements." Forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events, or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such risks and uncertainties include, among others, the Company's requirements for additional financing, and the effect of capital market conditions and other factors on capital availability, the Company's limited operating history and lack of historical profits; competition; failure of treatments to provide the expected health benefits; unanticipated side effects; dependence on obtaining and maintaining

regulatory approvals, including acquiring and renewing federal, provincial, state, municipal, local or other licenses; developments and changes in laws and regulations, including increased regulation of the Company's industries and the capital markets; economic and financial conditions; volatility in the capital markets; engaging in activities that could be later determined to be illegal under domestic or international laws; failure to obtain the necessary shareholder, government or regulatory approvals, including that of the CSE; and failure to retain, secure and maintain key personnel and strategic partnerships including but not limited to executives, researchers, clinicians, customers and suppliers. These factors should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking statements, including the intended use of the proceeds of the Offering. Although the Company has attempted to identify important risk factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other risk factors that cause actions, events or results to differ from those anticipated, estimated or intended. 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. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in forward-looking statements. The Company has no obligation to update any forward-looking statement, even if new information becomes available.