

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

**Item 1            Name and Address of Company**

HAVN Life Sciences Inc. (the “**Company**”)  
Suite 2200, 885 Wet Georgia Street  
Vancouver, BC V6C 3E8

**Item 2            Date of Material Change**

January 26, 2021

**Item 3            News Release**

A news release with respect to the contents of this report was issued on January 26, 2021 and was disseminated through the facilities of recognized newswire services. A copy of the news release was filed on SEDAR.

**Item 4            Summary of Material Change**

The Company announced it has entered into a definitive agreement (the “**Definitive Agreement**”) to acquire (the “**Acquisition**”), on the terms and conditions set forth in the Definitive Agreement, all of the outstanding share capital of GCO Packaging and Manufacturing Ltd. (“**GCO**”), which operates a large scale manufacturing, packaging and distribution facility (the “**Facility**”) in British Columbia – in exchange for 6,000,000 common shares of Havn Life (the “**Consideration Shares**”).

**Item 5            Full Description of Material Change**

**5.1                Full Description of Material Change**

The Company announced it has entered into a definitive agreement (the “**Definitive Agreement**”) to acquire (the “**Acquisition**”), on the terms and conditions set forth in the Definitive Agreement, all of the outstanding share capital of GCO Packaging and Manufacturing Ltd. (“**GCO**”), which operates a large scale manufacturing, packaging and distribution facility (the “**Facility**”) in British Columbia – in exchange for 6,000,000 common shares of Havn Life (the “**Consideration Shares**”).

Havn Life intends to utilize the Facility to support formulation and manufacturing processes in-house to ensure the highest standards of quality and efficacy. The Acquisition is expected to enable Havn Life to accelerate and scale production of new formulations and products at a single location.

Please see the news release attached as Schedule “A” for a full description of the material change.

**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**

The name and business number of the executive officers of the Company who are knowledgeable of the material change and this report are:

Tim Moore  
Chief Executive Officers  
Telephone – 604-359-0060

**Item 9            Date of Report**

January 27, 2021



## Havn Life Sciences Enters Definitive Agreement to Acquire Strategic Manufacturing & Packaging Facility for its Retail Division

**January 26, 2021**

**Vancouver, BC - Havn Life Sciences Inc. (CSE: [HAVN](#)) (OTC: [HAVLF](#)) (FSE: [5NP](#))** (the "Company" or "Havn Life"), a biotechnology company pursuing standardized extraction of psychoactive compounds and the development of natural healthcare products, is pleased to announce that it has entered into a definitive agreement (the "**Definitive Agreement**") to acquire (the "**Acquisition**"), on the terms and conditions set forth in the Definitive Agreement, all of the outstanding share capital of GCO Packaging and Manufacturing Ltd. ("**GCO**"), which operates a large scale manufacturing, packaging and distribution facility (the "**Facility**") in British Columbia - in exchange for 6,000,000 common shares of Havn Life (the "**Consideration Shares**").

Havn Life intends to utilize the Facility to support formulation and manufacturing processes in-house to ensure the highest standards of quality and efficacy. The Acquisition is expected to enable Havn Life to accelerate and scale production of new formulations and products at a single location.

"Having the ability to manufacture natural healthcare products in house will be absolutely critical for us," noted Tim Moore, Chief Executive Officer of Havn Life. "The Facility is expected to provide a full suite of in-house manufacturing capabilities, thereby expanding the Company's potential to capture margins and revenues through vertical integration and expansion of our portfolio into additional product categories."

Scheduled to launch this spring, the Company's retail product line will include seven natural health products which support immune health, fatigue, memory, focus and overall brain function. With the arrival of this set of products, Havn Life will take a major step forward in its mission of providing naturally-derived and standardized products to support human optimization.

Chief Science Officer, Gary Leong noted, "We're excited to introduce our first seven products this spring, and we're expecting the acquisition of this Facility to set us up to continue developing innovative new formulations and to effectively get innovative products to market. Having worked in the natural health industry for over 20 years, I believe it is vital for Havn Life to integrate its retail division vertically."

With over 16,000 square feet of space, the Facility features a large warehouse with multi-level inventory racking, fully-equipped and functioning production and packaging rooms, and modern, fully-furnished boardroom, laboratory, and offices. The Facility currently holds USDA Organic, Canadian Organic and Kosher certifications, and a large loading area for easy delivery



vehicle access. The 2.11-acre freestanding Facility is strategically located in the lower mainland near several key transportation hubs, providing an excellent access point for the distribution of Havn Life's forthcoming retail product line.

### **Acquisition Details**

Consideration Shares issuable to GCO will be subject to an escrow arrangement whereby one-sixth (1/6) of such shares will be released from escrow every three (3) months, aside from 1,214,954 of the Consideration Shares which will be subject to an escrow arrangement whereby one-half (1/2) of such shares will be released from escrow four (4) months after closing of the Acquisition (the "**Closing**") and the remaining Debt Settlement Shares will be released from escrow five (5) months after Closing.

The Closing of the Acquisition of GCO is subject to a number of conditions including the satisfactory completion of due diligence, receipt of all required regulatory and third-party consents and satisfaction of other customary closing conditions. The Closing of the Acquisition is expected to occur in or around 10 days.

### **On Behalf of The Board of Directors**

Tim Moore  
Chief Executive Officer

### **About Havn Life Sciences Inc.**

Havn Life Sciences is a biotechnology company on a mission to unlock human potential using evidence-informed research. The Company is focused on standardized, quality-controlled extraction of psychoactive compounds from plants and fungi, and the development of natural health care products from non-regulated compounds. Learn more at: [havnlife.com](http://havnlife.com) and follow us on [Facebook](#), [Twitter](#), [Instagram](#), and [Youtube](#)



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### **Cautionary Note Regarding Forward-Looking Statements**

Certain statements contained in this news release, including statements which may contain words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", or similar expressions, and statements related to matters which are not historical facts, such as statements regarding the contemplated completion of the Acquisition, are forward-looking information within the meaning of applicable securities laws. Such forward-looking statements reflect management's expectations and are based on certain factors and assumptions and involve known and unknown risks and uncertainties which may cause the actual results, performance, or achievements to be materially different from future results, performance, or achievements expressed or implied by such forward-looking statements. These factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. The Company believes that the expectations reflected in the forward-looking statements contained in this news release are reasonable, but no assurance can be given that these expectations will prove to be correct, nor that the Acquisition will be completed as contemplated, or at all. The Company undertakes no obligation



to release publicly any future revisions to forward-looking statements to reflect events or circumstances after the date of this news or to reflect the occurrence of unanticipated events, except as expressly required by law.

**The CSE has not reviewed, approved or disapproved the content of this press release**

