

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

Item 1. Name and Address of Company

HAVN Life Sciences Inc. (“**HAVN Life**” or the “**Company**”)
Unit 100 - 22071 Fraserwood Way
Richmond, British Columbia V6W 1J5

Item 2. Date of Material Change

December 17, 2021

Item 3. News Release

A news release was disseminated on December 20, 2021 and subsequently filed under the Company’s profile on SEDAR.

Item 4. Summary of Material Change

On December 20, 2021, HAVN Life announced that it has entered into a definitive arrangement (the “**Definitive Agreement**”) dated December 17, 2021 pursuant to which HAVN Life agreed, subject to the terms and conditions set forth in the Definitive Agreement, to acquire all of the issued and outstanding common shares (the “**Spore Shares**”) of Spore Life Sciences Inc. (“**Spore**”) by way of a three-cornered amalgamation under the *Business Corporations Act* (Ontario).

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

HAVN Life announced that it has entered into the Definitive Agreement pursuant to which HAVN Life agreed, subject to the terms and conditions set forth in the Definitive Agreement, to acquire (the “**Acquisition**”) all of the issued and outstanding Spore Shares by way of a three-cornered amalgamation under the *Business Corporations Act* (Ontario).

Acquisition Details

The Acquisition is proposed to proceed by way of a three-cornered amalgamation among HAVN Life, its newly incorporated, wholly-owned subsidiary, 1000053494 Ontario Inc. (“**HAVN Subco**”), and Spore, pursuant to which: (i) HAVN Subco and Spore shall amalgamate under the governing provisions of the *Business Corporations Act* (Ontario), after which the amalgamated entity shall continue as one corporation (“**Amalco**”); (ii) the holders of Spore Shares shall receive an aggregate of 95,000,000 common shares of HAVN Life (the “**Consideration Shares**”) for the Spore Shares issued and outstanding prior to closing, following which all such Spore Shares shall be cancelled; (iii) HAVN Life shall receive one common share of Amalco (each, an “**Amalco Share**”) for each common share of HAVN Subco (each, a “**HAVN Subco Share**”) held by HAVN Life, following which all such HAVN Subco Shares shall be cancelled; and (iv) in consideration of the issuance of the Consideration Shares, Amalco shall issue to HAVN Life one Amalco Share for each Consideration Share issued (the “**Amalgamation**”).

Pursuant to the terms and subject to the conditions set forth in the Definitive Agreement, in connection with the completion of the Amalgamation and Acquisition, HAVN Life is to enter into: (i) a consulting agreement with Alex Kaplunov, the current Chief Financial Officer and Secretary of Spore, to provide the services of Chief Business Development Officer; (ii) a consulting agreement with Michael Zavet, the current Chief Executive Officer and President of Spore, to provide the services of Chief Revenue Officer; and (iii) a consulting agreement with Neon Flux LLC to provide marketing and advertising services (each, a “**Consulting Agreement**”, and collectively, the “**Consulting Agreements**”).

In addition, HAVN Life has agreed to issue up to \$11,000,000 worth of common shares to the former shareholders of Spore, and up to \$19,000,000 worth of common shares to certain consultants that will join HAVN Life upon completion of the Acquisition (collectively, the “**Milestone Shares**”), as follows in the event the following milestones (each, an “**Earn-Out Milestone**”) are achieved:

(a) \$10,000,000 worth of Milestone Shares upon Spore achieving at least \$3,000,000 in revenue per month for any three consecutive months within 30 months following the completion of the Amalgamation;

(b) if the Earn-Out Milestone in (a) is achieved, \$10,000,000 worth of Milestone Shares upon Spore achieving at least \$5,000,000 in revenue per month for any three consecutive months within 30 months following the completion of the Amalgamation; and

(c) if the Earn-Out Milestone in (b) is achieved, \$10,000,000 worth of Milestone Shares upon Spore achieving at least \$7,000,000 in revenue per month for any three consecutive months within 30 months following the completion of the Amalgamation,

provided that only one Earn-Out Milestone can be achieved in any consecutive six-month period following the completion of the Amalgamation, such that the earliest all Earn-Out Milestones can be achieved is within 18 months following the completion of the Amalgamation. The number of Milestone Shares issuable upon achievement of a particular Earn-Out Milestone will be based on the volume weighted average price of the HAVN Life’s common shares on the Canadian Securities Exchange for the 10 trading days immediately prior to the date of issuance of such Milestone Shares.

The Definitive Agreement also contemplates that shareholders of Spore will be granted the right to nominate and have one (1) director elected to HAVN Life’s board of directors until the earlier to occur of: (i) the achievement of the last Earn-Out Milestone (as described above) and the issuance of the applicable Milestone Shares as a result of such achievement; and (ii) date that is 30 months following the completion of the Amalgamation.

If the Acquisition is completed, the Company is expected to pay a finder’s fee to Halpern & Co. Limited as consideration for finder services rendered in connection with introducing the Company to Spore for the purposes of facilitating the Acquisition, in the amount of 3,000,000 common shares of the Company.

The Consideration Shares

The Consideration Shares issued in connection with the Amalgamation to certain shareholders of Spore who are also members of Spore’s management (the “**Spore Management Shareholders**”) shall be subject to lock up for up to 24 months following the completion of the Amalgamation.

The Consideration Shares issued in connection with the Amalgamation to various shareholders of Spore who each hold at least 5% of the issued and outstanding Spore Shares shall be subject to lock up, such that the Consideration Shares issued to such shareholders of Spore will be released from lock up as follows: (i) 25% of the Consideration Shares shall be released from the lock up four months following the completion of the Amalgamation; (ii) 25% of the Consideration Shares shall be released from the lock up eight months following the completion of the Amalgamation; and (iii) 50% of the Consideration Shares shall be released from the lock up 12 months following the completion of the Amalgamation.

The Consideration Shares issued to the remaining shareholders of Spore shall be locked up for a period of four months following the completion of the Amalgamation.

The Milestone Shares

Any Milestone Shares issued upon the achievement of an Earn-Out Milestone to the shareholders of Spore who are not Spore Management Shareholders shall be subject to a four-month lock up from the date of issuance.

Any Milestone Shares issued upon the achievement of an Earn-Out Milestone to Spore Management Shareholders shall be subject to lock up on the following basis: (i) one-fourth (1/4) of the Milestone Shares shall be subject to a four-month lock up from the date of issuance; (ii) one-fourth (1/4) of the Milestone Shares shall be subject to a 12 month lock up from the date of issuance; and (iii) one-half (1/2) of the Milestone Shares shall be subject to an 18 month lock up from the date of issuance, provided, however, in the event: (x) a Spore Management Shareholder terminates its Consulting Agreement with HAVN Life within 24 months following the completion of the Amalgamation; or (y) such Consulting Agreement is terminated by HAVN due to breach of the Consulting Agreement by the Spore Management Shareholder within 24 months following the completion of the Amalgamation, one-half (1/2) of the Milestone Shares remaining subject to lock up at the time the Consulting Agreement is terminated shall be forfeited by the Spore Management Shareholder to HAVN Life for cancellation.

Additionally, in the event: (x) a Spore Management Shareholder terminates its Consulting Agreement with HAVN Life; or (y) such Consulting Agreement is terminated by HAVN due to a breach of the Consulting Agreement by the Spore Management Shareholder prior to the date that an Earn-Out Milestone is achieved, such Spore Management Shareholder shall have been deemed to forfeit its entitlement to the issuance of the corresponding Milestone Shares.

Finally, the obligations of HAVN Life to issue any Milestone Shares upon the achievement of an Earn-Out Milestone may be satisfied by HAVN Life, at its sole discretion, through equivalent cash payments.

The closing of the Acquisition is subject to a number of conditions customary for transactions of this nature.

Secured Convertible Loan

In anticipation of the Acquisition, HAVN Life purchased a \$750,000 secured convertible note from Spore (the "**Secured Convertible Note**"). Pursuant to the Secured Convertible Note, Spore is required to pay interest to HAVN Life on the unpaid principal amount of the Secured Convertible Note from January 1, 2022 at a rate per annum equal to 12% until the full and final repayment of

the principal amount of the Secured Convertible Note. The Secured Convertible Note is: (i) repayable in full (including interest accrued thereon) on December 31, 2022; or (ii) convertible, at HAVN Life's option, into Spore Shares at a conversion price equal to the lesser of: (x) \$1.28 per Spore Share; and (y) the price per Spore Share attributed thereto in Spore's last financing completed prior to the conversion of the Secured Convertible Note.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6. Reliance on Section 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

There is no information of a material nature that has been omitted.

Item 8. Executive Officer

For further information, please contact Tim Moore, Chief Executive Officer of the Company, at 604-359-0060.

Item 9. Date of Report

December 22, 2021.

Forward-Looking Information: This report contains "forward-looking information" within the meaning of applicable securities laws relating to statements regarding the Acquisition, the Earn-out Milestones, the Milestone Shares, the Consulting Agreements, the Secured Convertible Note, Spore and its business, products and future of the Spore's business and the Company and its business, products and future of the Company's business. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking information. Such forward-looking statements are subject to risks and uncertainties that may cause actual results, performance and developments to differ materially from those contemplated by these statements depending on, among other things, the risk that the Acquisition will not be completed as contemplated, or at all, the risk that the anticipated benefits of the Acquisition will be not realized as contemplated, or at all, risk that the Earn-Out Milestones will not be achieved as contemplated, or at all, risk that the Milestone Shares will not be issued as contemplated, or at all, risks that the Spore's products and plan will vary from those stated in this report and Spore may not be able to carry out its business plans as expected and risks that the Company's products and plan will vary from those stated in this report and the Company may not be able to carry out its business plans as expected. Except as required by law, the Company expressly disclaims any obligation and does not intend to update any forward-looking statements or forward-looking information in this report. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. The statements in this report are made as of the date of this report.