

**Form 51-102F3**  
**Material Change Report**

**Item 1            Name and Address of Company**

Grounded People Apparel Inc.  
800-1199 West Hastings Street  
Vancouver, BC V6E 3T5

**Item 2            Date of Material Change**

November 4, 2022

**Item 3            News Release**

A news release was disseminated on November 4, 2022, through the facilities of Stockwatch and subsequently filed on SEDAR.

**Item 4            Summary of Material Change**

The Company has completed a non-brokered private placement (the "Financing") of 4,127,500 units (the "Units") at a price of \$0.80 per Unit for gross proceeds of \$3,302,000.00. Each Unit consists of one (1) share (each, a "Share") and one (1) transferable Share purchase warrant (each, a "Warrant"). Each Warrant entitles the holder thereof to purchase one (1) additional Share of the Company for a period of two years from closing at a price of \$2.50 per Share.

**Item 5            Full Description of Material Change**

See attached news release for full description of material change.

**Item 6            Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

This Report is not being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102.

**Item 7            Omitted Information**

No information has been omitted on the basis that it is confidential information.

**Item 8            Executive Officer**

Maximilian Justus, CEO is knowledgeable about the material change and the Report and may be contacted at 236-521-0626.

**Item 9            Date of Report**

November 4, 2022



CSE: **SHOE**  
W: [groundedpeople.com](http://groundedpeople.com)  
E: [investors@groundedpeople.com](mailto:investors@groundedpeople.com)  
T: 1-844-673-6753

## Grounded People Apparel Announces Closing of Non-brokered Private Placement

VANCOUVER, British Columbia, Canada – November 4, 2022 - **Grounded People Apparel Inc.** (“**Grounded**” or the “**Company**”) (CSE: **SHOE**), a fair wage and sustainable vegan shoe company based in Vancouver, British Columbia, Canada, and dedicated to reducing the harmful impact of the global fashion industry on the environment, is pleased to announce that it has completed a non-brokered private placement (the “**Financing**”) of 347,222 units (the “**Units**”) at a price of \$0.72 per Unit for gross proceeds of \$250,000.00. Each Unit consists of one (1) share (each, a “**Share**”) and one (1) transferable Share purchase warrant (each, a “**Warrant**”). Each Warrant entitles the holder thereof to purchase one (1) additional Share of the Company for a period of two years from closing at a price of \$0.90 per Share.

The net proceeds from the Financing will be used for working capital and general corporate purposes of the Company.

In connection with completion of the Financing, the Company issued 3,472 Shares of the Company to a third-party in consideration for administrative services rendered in connection with the Financing

Pursuant to applicable securities laws, all securities issued under the Financing are subject to a statutory hold period of four months and a day, expiring on March 5, 2023.

### ABOUT GROUNDED PEOPLE APPAREL

Grounded People Apparel Inc. is a Vancouver, British Columbia, Canada based innovative apparel company focused on delivering high quality products to its customers that are 100% PeTA – APPROVED vegan. The Company is primarily engaged in the business of fair trade, sustainable and earth-conscious fashion. The Company’s initial products, which launched in the fourth quarter of 2021, are its high-top and low-cut canvas sneakers, which are made from sustainable, ethically-sourced and produced materials, and are manufactured by fair-trade workers, in a 100% vegan manufacturing facility which is located in Brazil.

In addition to its commitment to a fashion industry that reduces waste and environmental impacts, the Company aims to create a meaningful positive impact on the world through its L.A.C.E.S. campaign. The L.A.C.E.S. campaign provides consumers an option to select a specific set of shoelaces to accompany their footwear purchase the colour of which is associated with one of the charities the Company has committed to support, whereby all profits from the sale of shoelaces will be donated correspondingly.



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## ON BEHALF OF THE BOARD OF DIRECTORS

*"Maximilian Justus"*

Maximilian Justus  
Chief Executive Officer

For further information, please contact:  
Email: [investors@groundedpeople.com](mailto:investors@groundedpeople.com)  
Telephone: 1-844-673-6753

***The CSE has neither approved nor disapproved the contents of this news release. Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.***

## CAUTIONARY DISCLAIMER STATEMENT

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation, including the anticipated use of the proceeds of the Financing and the social and financial objectives of the Company. Forward-looking statements are necessarily based upon several estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward looking statements. Such factors include, but are not limited to general business, economic, competitive, political, and social uncertainties, and uncertain capital markets. Readers are cautioned that actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.