

FORM 51-102F3
MATERIAL CHANGE REPORT
UNDER NATIONAL INSTRUMENT 51-102

Item 1 Name and Address of Company

Vitality Products Inc. (“Vitality” or the “Company”)
837 West Hastings Street
Suite 304, Vancouver, BC V6C 3N6

Item 2 Date of Material Change

December 3, 2018

Item 3 News Release

The news release concerning the material changes described herein was disseminated through CNW Newswire on December 3, 2018.

Item 4 Summary of Material Change

Vitality has successfully completed two Trade Missions with the Government of British Columbia and the Government of Canada to meet key buyers and importers to explore entry of VITALITY vitamins and supplements into Japan and China.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Vitality has successfully completed two Trade Missions with the Government of British Columbia and the Government of Canada to meet key buyers and importers to explore entry of VITALITY vitamins and supplements into Japan and China. The most recent Trade Mission was to exhibit within the Canadian Pavilion at Food and Hotel China (FHC); the Show was attended by over 100,000 visitors from November 13-15 in Shanghai.

The Company recognizes the growth opportunity for its line of vitamins and supplements outside of Canada. During the Trade Missions to Osaka, Tokyo and Shanghai, the Company had one-on-one meetings with buyers and introductions to local Canadian Trade Commissioners.

Japanese Market: Regulatory Changes Open Door for New Products

Japan is one of the leading countries for sales of natural health products and a key export market for Canada. VITALITY, as a guest of the Government of BC's Ministry of Jobs, Trade and Technology, met with key retailers, buyers and distributors in Osaka and Tokyo from October 2-5, 2018. The Japanese market for nutritional supplements exceeded \$10 Billion USD in 2014* – double the size of the Canadian market – and regulatory changes in Japan have provided an opportunity for new products in the marketplace.

The Company introduced VITALITY Blue C (vitamin C 300 mg and blueberries) to buyers at the Table Top shows. Blue C is one of 92 NPNs (Health Licenses from Health Canada) secured by Vitality Products Inc. and is not currently sold in Canada. The Company joined the Trade Mission to explore the opportunity of launching current and new products in foreign markets while leveraging the reputation of VITALITY and manufacturing practices in British Columbia, Canada.

Chinese Market: Online Sales as Entry Point to Consumers

In 2017, supplements sales growth outpaced GDP growth in China with the Chinese supplement industry reaching \$17.2 Billion USD in 2016, with 9.3 percent annual growth, as compared to global supplements sales growth of 5.7 percent**. The strongest growth comes from e Commerce in China. The Company met with several online retailers and offline distributors at FHC in Shanghai to explore market entry in 2019. The Company views online as a growth opportunity in 2019.

International Export Markets: 2019 and Beyond

Following completion of Trade Accelerator Program with the Province of British Columbia, World Trade Centre and Export Canada in May 2018, the Company committed to build new relationships and expand sales internationally for long-term development and growth of VITALITY. Following the Trade Missions in October and November, the Company will continue to meet with Trade Commissioners and prospect distributors in targeted international countries and cities.

* Regulatory Reforms Fuels Japans Supplement Market, Sachiko Kakisaka, Sept 17, 2014

<https://www.naturalproductsinsider.com/claims/regulatory-reform-fuels-japans-supplement-market>

** The Analysts Take: Supplement Sales in China, Claire Morton, Jan. 6, 2018 (<https://www.newhope.com/market-data-and-analysis/analysts-take-supplements-sales-china>)

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Cheryl A. Grant
President & CEO
Tel: (604) 683-6611
E-mail: info@vitality.ca

Item 9 Date of Report

December 5, 2018