FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

DionyMed Brands Inc. (“**DionyMed**” or the “**Company**”)
885 W Georgia Street, Suite #2200
Vancouver, British Columbia
V6C 2G2

Item 2 Date of Material Change

The material changes occurred on April 30, 2019 and May 7, 2019.

Item 3 News Release

News releases with respect to the Offering (as defined below) were disseminated on April 15, 2019 and May 7, 2019 via Cision Canada.

News releases with respect to the Restatement (as defined below) and MCTO (as defined below) were disseminated on April 30, 2019 and May 7, 2019 via Cision Canada.

Item 4 Summary of Material Change

The Offering

On April 15, 2019, the Company announced that it has entered into an agreement with a syndicate of underwriters co-led by Canaccord Genuity Corp. and Cormark Securities Inc. (collectively, the "**Underwriters**"), pursuant to which the Underwriters had agreed to purchase, on a bought deal private placement basis, 3,636,364 units of the Company (the "**Units**") at a price of C$2.75 per Unit (the "**Issue Price**") for aggregate gross proceeds to DionyMed of C$10,000,001 (the "**Offering**"). Pursuant to the terms of the Offering, the Underwriters were granted an option to purchase up to an additional 3,636,364 Units at the Issue Price for additional gross proceeds to DionyMed of up to C$10,000,001, which option was exercisable by the Underwriters at any time prior to the closing date of the Offering. On May 7, 2019, the Company announced that it had completed the Offering and issued 3,822,055 Units at the Issue Price for total gross proceeds of C$10,510,651.

The Restatement and MCTO

In the course of completing the audit of the annual financial statements for the financial year ended December 31, 2018 (the “**Annual Financial Statements**”), it was determined that a restatement of the Company’s financial statements for periods reported prior to December 31, 2018 would be required (the “**Restatement**”). As a result of the Restatement, additional work was required by the auditors in order to complete the audit of the Annual Financial Statements, which work could not be completed until after the April 30, 2019 deadline (the “**Filing Deadline**”) to file the Annual Financial Statements, the accompanying management’s discussion and analysis and CEO and CFO certifications (collectively with the Annual Financial Statements, the “**Annual Filings**”).

DionyMed made an application for a management cease trade order (the “**MCTO**”) under National Policy 12-203 – *Management Cease Trade Orders* to be in effect until the Annual Filings are filed. On May 2, 2019, the British Columbia Securities Commission granted the MCTO against the Company’s Chief Executive Officer, Edward Fields, and its Chief Financial Officer, Peter Kampian. The granting of the MCTO was announced by the Company on May 7, 2019.

Item 5 Full Description of Material Change

Item 5.1

The Offering

On April 15, 2019, the Company announced that it has entered into an agreement with the Underwriters with respect to the Offering.

Each Unit would be comprised of one subordinate voting share (a "**Subordinate Voting Share**") and one subordinate voting share purchase warrant (a "**Warrant**") exercisable into one Subordinate Voting Share (a "**Warrant Share**") at price of C$3.80 per Warrant Share for a period of 36 months following the closing of the Offering. The net proceeds from the Offering will be used primarily towards the Company's strategic growth initiatives and for general working capital purposes.

Pursuant to the terms of the Offering, the Underwriters were granted an option to purchase up to an additional 3,636,364 Units at the Issue Price for additional gross proceeds to DionyMed of up to C$10,000,001, which option was exercisable by the Underwriters at any time prior to the closing date of the Offering.

On May 7, 2019, the Company announced that it had completed the Offering and issued 3,822,055 Units at the Issue Price for total gross proceeds of C$10,510,651. In connection with the Offering, the Company paid the Underwriters a cash commission equal to 7.0% of the gross proceeds of the Offering and issued to the Underwriters that number of broker warrants (“**Broker Warrants**”) as is equal to 7.0% of the number of Units sold under the Offering. Each Broker Warrant is exercisable to acquire one Unit until May 7, 2022 at an exercise price equal to the Issue Price.

The Restatement and MCTO

In the course of completing the audit of the Annual Financial Statements, it was determined that the Restatement would be required.

In connection with the 2018 acquisitions of each of DionyMed, Inc. and Herban Industries, Inc. by DionyMed Holdings Inc. reported on the Company’s audited financial statements for the period ended February 28, 2018, rather than applying IFRS 3 business acquisition accounting, continuity of interest accounting was deemed to be more appropriate under the circumstances. The changes include eliminating previously-recognized fair value adjustments, including the associated intangible assets and goodwill recognized initially upon acquisition. The impacts of the Restatement are non-cash, non-revenue and are expected to be restricted to the Statement of Financial Position.

As a result of the Restatement, additional work was required by the auditors in order to complete the audit of the Annual Financial Statements, which work could not be completed until after the Filing Deadline to file the Annual Filings.

DionyMed made an application for the MCTO to be in effect until the Annual Filings are filed. On May 2, 2019, the British Columbia Securities Commission granted the MCTO against the Company's Chief Executive Officer, Edward Fields, and its Chief Financial Officer, Peter Kampian. The granting of the MCTO was announced by the Company on May 7, 2019.

The Company expects to file the Annual Filings on or before May 31, 2019.

Item 5.2

N/A

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

N/A

Item 7 Omitted Information

N/A

Item 8 Executive Officer

Peter Kampian
Chief Financial Officer
416-209-5982

Item 9 Date of Report

May 9, 2019

Forward-Looking Information and Statements

This material change report contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved" and includes the use of proceeds of the Offering and the timing of the filing of the Annual Financial Statements.

By identifying such information and statements in this manner, the Company is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such information and statements, including but not limited to the Company using the proceeds of the Offering in a different manner than set out above, the Company not filing the Annual Financial Statements on the timing described herein, and the risk factors set out in the Listing Statement of the Company available on the Company's profile on SEDAR at www.sedar.com. Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this material change report are made as of the date of this material change report, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws. All subsequent written and oral forward-looking information and statements attributable to the Company or persons acting on its behalf is expressly qualified in its entirety by this notice.

This material change report does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein in the United States. The securities described herein have not been registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities law and may not be offered or sold in the "United States", as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available.