

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 – Name and Address of Company:

INDVR Brands Inc. (the “Company”)
507 – 700 West Pender Street
Vancouver, BC V6C 1G8
Telephone: (604) 669-5778

Item 2 – Date of Material Change:

December 18, 2020

Item 3 – News Release:

The Company disseminated a news release through the facilities of Newsfile on December 18, 2020.

Item 4 – Summary of Material Change:

On December 18, 2020, the Company announced the closing of a non-brokered private placement (the “**Private Placement**”). Ultimately, the Company raised \$2,254,080.80, inclusive of debt settlements.

Item 5 – Full Description of Material Change:

5.1 5.1 – Full Description of Material Change

The Private Placement was completed by the issuance of 19,193,750 subordinate voting units of the Company (each, a “**SUB Unit**”), priced at C\$0.08 per SUB Unit, and 898,226 super voting units of the Company (each, a “**SVS Unit**”), priced at C\$0.80 per SVS Unit, for aggregate gross proceeds and settlement benefits of approximately C\$2.25 million.

Each SUB Unit consists of one subordinate voting share of the Company (a “**SUB Share**”) and one SUB Share purchase warrant (a “**SUB Warrant**”) entitling the holder thereof to acquire one SUB Share at an exercise price of C\$0.125 per SUB Share for a period of 24 months from the date of issuance. Each SVS Unit consists of one super voting share of the Company (a “**SVS Share**”) and one SVS Share purchase warrant (a “**SVS Warrant**”) entitling the holder thereof to acquire one SVS Share at any exercise price of C\$1.25 per SVS Share (given that each SVS Share is convertible into ten SUB Shares) for a period of 24 months from the date of issuance.

Proceeds from the Private Placement will be primarily used to reduce debt and for general working capital of the Company.

Participation by the insiders in the Private Placement was considered a “related party transaction” pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security*

Holders in Special Transactions (“**MI 61-101**”). The Company was exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the insiders’ participation in the Private Placement in reliance of sections 5.5(a) and 5.7(1)(a) of MI 61-101. This Material Change Report has been filed in connection with the participation of insiders in the Private Placement less than 21 days in advance of the closing of the Private Placement, which the Company deemed reasonable in the circumstances so as to be able to avail itself of potential financing opportunities and complete the Private Placement in an expeditious manner.

All securities issued in connection with the Private Placement will be subject to a statutory four-month and one-day hold period under applicable Canadian securities laws. The Private Placement remains subject to receipt of all necessary regulatory and other approvals, including the final approval of the Canadian Securities Exchange. Any securities issued have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the “**U.S. Securities Act**”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Related Party Transaction

Pursuant to MI 61-101, the Company is required to include the following in this Material Change Report:

(a) a description of the transaction and its material terms

A description of the Private Placement and material terms can be found above. The Company issued the following Common Shares to directors, officers and/or insiders for gross proceeds as follows (the “**Insider Subscriptions**”):

Name	Common Shares Issued	Gross Proceeds/Benefits to the Company
Joshua Mann	2,500,000	\$200,000
Alnoor Nathoo	3,000,000	\$240,000
Jordan Shapiro	2,500,000	\$200,000
Darcy Campbell	1,000,000	\$80,000

(b) the purpose and business reasons for the transaction

Proceeds from the Private Placement will be primarily used to reduce debt and for general working capital of the Company.

(c) the anticipated effect of the transaction on the Company’s business and affairs

The Company does not anticipate any material effect on its business and affairs as a result of the related party transaction.

(d) a description of (i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties, and (ii) the anticipated effect of the transaction on the percentage of securities of the Company, or of an affiliated entity of the Company, beneficially owned or controlled by each person referred to in subparagraph (i) for which there would be a material change in that percentage

As a result of the Insider Subscriptions, the Company does not anticipate any material change to the percentage of securities of the Company beneficially owned or controlled by any of the subscribing insiders.

(e) a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the Company for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee

The Private Placement was approved by the board without the establishment of a special committee. No materially contrary views were expressed.

(f) a summary, in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction

Not applicable. See Item (i) below.

(g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the Company that relates to the subject matter of or is otherwise relevant to the transaction (i) that has been made in the 24 months before the date of this Material Change Report, and (ii) the existence of which is known, after reasonable inquiry, to the Company or to any director or senior officer of the Company

Not applicable.

(h) the general nature and material terms of any agreement entered into by the Company, or a related party of the Company, with an interested party or a joint actor with an interested party, in connection with the transaction

The Company entered into a subscription agreement in respect of each of the Insider Subscriptions pursuant to which the Company agreed to issue and sell Common Shares to the subscribing insiders on substantially the same terms as those agreed to with other subscribers to the Private Placement.

(i) disclosure of the formal valuation and minority approval exemptions, if any, on which the Company is relying under sections 5.5 and 5.7 of MI 61-101, respectively, and the facts supporting reliance on the exemptions.

The Company has relied on the *Exemption from Formal Valuation Requirement* under section 5.5(a) of MI 61-101 and on the *Exemption from Minority Approval Requirement* under section 5.7(1)(a) of MI 61-101 as, at the time the transaction was agreed to, neither

the fair market value of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involved interested parties, exceeded 25 per cent of the Company's market capitalization.

As this Material Change Report is being filed less than 21 days before the closing of the Private Placement, the Company is required to explain why the shorter period is reasonable or necessary in the circumstances. In the view of the Company, such shorter time period was reasonable in the circumstances in order for the Company to avail itself of financing opportunities and complete the Private Placement in an expeditious manner.

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:

Darcy Campbell
Chief Financial Officer

Telephone: +1- 403-803-2799
Website: <https://cannabisone.life/>
Email: d.campbell@cannabis.life

Item 9 – Date of Report:

This report is dated December 28, 2020.

Neither the Canadian Securities Exchange nor its regulation services provider accepts responsibility for the adequacy or accuracy of this material change report.

FORWARD LOOKING STATEMENTS

This material change report contains certain statements or disclosures relating to the Company that are based on the expectations of its management as well as assumptions made by and information currently available to the Company which may constitute forward-looking statements or information (“**forward-looking statements**”) under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that the Company anticipates or expects may, or will occur in the future (in whole or in part) should be considered forward-looking statements. In some cases, forward-looking statements can be identified by the use of the words: “continue”, “estimate”, “expect”, “may”, “intends”, “will”, “should”, “position”, “to be”, “can”, “plan”, “believe” and similar expressions.

In particular, but without limiting the foregoing, this material change report contains forward-looking statements pertaining to the following: closing of the Private Placement; use of proceeds and management's assessment of the Company's future projects and financing plans.

The forward-looking statements contained in this material change report reflect several material factors and expectations and assumptions of the Company including, without limitation: that the Company will continue to conduct its operations in a manner consistent with past operations; the general continuance of current or, where applicable, assumed industry conditions; availability of debt and/or equity sources to fund the Company's capital and operating requirements as needed; and certain cost assumptions.

The Company believes the material factors, expectations and assumptions reflected in the forward-looking statements are reasonable at this time but no assurance can be given that these factors, expectations and assumptions will prove to be correct. The forward-looking statements included in this material change report are not guarantees of future performance and should not be unduly relied upon. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements including, without limitation: a significant expansion in COVID-19 restricting or prohibiting the operation of the the Company's operations or supply chain; general economic, market and business conditions including those in the event of an epidemic, natural disaster or other event; increased costs and expenses; reliance on industry partners; and certain other risks detailed from time to time in the Company's public disclosure documents including, without limitation, those risks identified in this material change report, and in the Company's management discussions and analysis for its most recent year end, copies of which are available on the Company's SEDAR profile at www.sedar.com. Moreover, the duration and impact of the COVID-19 pandemic is unknown at this time and it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company. Readers are cautioned that the foregoing list of factors is not exhaustive and are cautioned not to place undue reliance on these forward-looking statements.

The forward-looking statements contained in this material change report are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities law.

This material change report does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States of America. The securities of the Company have not been and will not

be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws, or an exemption from such registration is available.