FORM 51-102F3
Material Change Report

Item 1: Name and Address of Company

Isracann Biosciences Inc. (the "**Company**")
1600-595 Burrard Street
Vancouver, British Columbia
V7X 1L3

Item 2: Date of Material Change

October 24, 2022

Item 3: News Release

A news release disclosing the information contained in this material change report were issued by the Company on October 24, 2022, through the newswire services of Newswire, a copy of which was filed under the Company's profile on SEDAR at www.sedar.com.

Item 4: Summary of Material Change

On October 24, 2022, the Company announced that, further to the Company's acquisition of Praesidio Health Inc. ("**Praesidio**") on April 12, 2022 (the "**Closing Date**"), the Company issued 12,019,226 common shares in the capital of the Company (the "**Second Instalment Shares**") on October 12, 2022, to the shareholders of Praesidio (the "**Praesidio Shareholders**"). The Second Instalment Shares were issued pursuant to the share exchange agreement dated March 24, 2022, as amended on April 12, 2022, between the Company, Praesidio and the Praesidio Shareholders (the "**Share Exchange Agreement**"). The Second Instalment Shares were issued at a deemed price of C$0.0416 per Second Instalment Share and are subject to a contractual escrow period, with release dates ranging from 12 to 48 months following the Closing Date.

Item 5: Full Description of Material Change

Item 5.1: Full Description of Material Change

On October 24, 2022, the Company announced that, further to the Company's acquisition of Praesidio Health Inc. ("**Praesidio**") on the Closing Date, the Company issued the Second Instalment Shares on October 12, 2022, to the Praesidio Shareholders. The Second Instalment Shares were issued pursuant to the Share Exchange Agreement. The Second Instalment Shares were issued at a deemed price of C$0.0416 per Second Instalment Share and are subject to a contractual escrow period, with release dates ranging from 12 to 48 months following the Closing Date.

This report does not constitute an offer to sell or a solicitation of an offer to buy any of the securities decribed in this report in the United States. Such securities 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, accordingly, may not be offered or sold within the United States, or to or for the account or benefit of persons in the United States or "U.S. Persons", 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 pursuant to an exemption from such registration requirements.

Forward Looking Information

This report may contain forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential” and similar expressions, or that events or conditions “will”, “would”, “may”, “could” or “should” occur. Forward-looking statements may include, without limitation, statements relating to the Second Instalment Shares. The forward-looking statements contained in this report are expressly qualified in their entirety by this cautionary statement. All forward-looking statements in this report are made as of the date of this report. The forward-looking statements contained herein are also subject generally to assumptions and risks and uncertainties that are described from time to time in the Company's documents filed from time to time with the CSE, the British Columbia Securities Commission, the Alberta Securities Commission, and the Ontario Securities Commission. Although Isracann believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward looking statements. Isracann expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Item 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

Phil Floucault
Chief Executive Officer
Telephone: +1 (604) 394 2551
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Item 9: Date of Report

October 24, 2022