

**FORM 51-102F3
MATERIAL CHANGE REPORT**

1. Name and Address of Company

Emblem Corp. (the “**Corporation**”)
36 York Mills Road, Suite 500
Toronto, Ontario, Canada, M2P 2E9

2. Date of Material Change

May 8, 2018.

3. News Release

A news release dated May 8, 2018 was disseminated through the facilities of Marketwired and subsequently filed on the System for Electronic Document Analysis and Retrieval at www.sedar.com.

4. Summary of Material Change

On May 8, 2018, the Corporation entered into minutes of settlement (the “**Settlement Agreement**”) with a former shareholder of KindCann Holdings Limited (“**KHL**”) (a predecessor of Emblem Cannabis Corporation) in connection with such shareholder exercising their statutory dissent rights (the “**Dissenting Shareholder**”). Pursuant to the Settlement Agreement, the Corporation issued 482,758 common shares in the capital of the Corporation to the Dissenting Shareholder.

5. Full Description of Material Change

5.1 Full Description of Material Change

In 2015, KHL amended its articles to amend the share conditions attached to KHL's Class A preferred shares. In connection with the proposed amendments, the Dissenting Shareholder exercised its statutory rights of dissent with respect to 2,000,000 Class A preferred shares of KHL.

On May 8 2018, the Corporation entered into the Settlement Agreement with the Dissenting Shareholder in connection with such shareholder exercising their statutory dissent rights. Pursuant to the Settlement Agreement, the Corporation issued 482,758 common shares in the capital of the Corporation to the Dissenting Shareholder.

5.2 Disclosure for Restructuring Transaction

Not applicable

6. Disclosure for Restructuring Transaction

Not applicable.

7. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

8. Omitted Information

Not applicable.

9. Executive Officer

For additional information please contact Alex Stojanovic, Chief Financial Officer of the Corporation at (647) 748-9713.

10. Date of Report

May 17, 2018