FORM 51 – 102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

Pascal Bioscience Inc.
Suite 500 – 666 Burrard Street
Vancouver, BC V6C 3P6

2. Date of Material Change

December 14, 2020

3. News Release

A news release dated December 14, 2020 was disseminated through Baynews and Stockwatch and was filed via SEDAR the same day.

4. Summary of the Material Change

Pascal Announces Completion of Shares for Debt Settlement

5. Full Description of the Material Change

News Release dated December 14, 2020 – See Schedule "A"

6. Reliance on subsection 7.1(2) or (3) of National Instrument 51 – 102

N/A

7. Omitted Information

N/A

8. Executive Officer

Judi Dalling, CFO and Corporate Secretary
Phone: (604) 880-7250

9. Date of Report

December 18, 2020

SCHEDULE "A"

NOT FOR DISTRIBUTION TO THE U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

Pascal Announces Completion of Shares for Debt Settlement

VANCOUVER, BRITISH COLUMBIA, December 14, 2020 - Pascal Biosciences, Inc. ("Pascal" or the "Company") (TSX VENTURE: PAS), a biotechnology company that specializes in cancer drug discovery and development, wishes to announce that further to its news releases dated October 30, 2020 and November 2, 2020, wherein it announced the settlement of $230,765 indebtedness by the issuance of 1,153,825 common shares of the Company (the “Debt Settlement”), is pleased to announce that it has received the approval of the TSX Venture Exchange for its shares for debt transaction. A total of 1,153,825 common shares, representing aggregate consideration of $230,765, were issued to two directors and/or senior officers of the Company at a price of $0.20 per common share (the “Insider Issuances“).

The Insider Issuances constitute a “related party transaction” within the meaning of Multilateral Instrument 61-101 — Protection of Minority Security Holders in Special Transactions (“MI 61-101”) as insiders of the Company received 1,153,825 common shares of the Company in connection with the Debt Settlement. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the shares for debt transaction with the insider does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101.

All Shares issued pursuant to the settlements are subject to a statutory four-month hold period from the date of the issuance.

About Pascal Biosciences Inc.

Pascal is a biotechnology company targeting innovative therapies for serious diseases, including COVID-19. Pascal is also developing treatments for cancer with targeted therapies for acute lymphoblastic leukemia and cannabinoid-based therapeutics. Pascal's leading portfolio also comprises a small molecule therapeutic, PAS-403, that is advancing into clinical trials for the treatment of glioblastoma, and PAS-393, an immuno-stimulatory cannabinoid to be used in combination with checkpoint inhibitor therapy. For more information, visit www.pascalbiosciences.com.

For more information, visit www.pascalbiosciences.com.

ON BEHALF OF THE BOARD OF DIRECTORS
PASCAL BIOSCIENCES INC.

Dr. Patrick W. Gray, CEO
Investors:
invest@pascalbiosciences.com

Certain statements in this press release contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 or forward-looking information under applicable Canadian securities legislation that may not be based on historical fact, including without limitation statements containing the words "believe", "may", "plan", "will", "estimate", "continue", "anticipate", "intend", "expect" and similar expressions. Such forward-looking statements or information involve known and unknown risks, uncertainties and other factors that may cause our actual results, events or developments, or industry results, to be materially different from any future results, events or developments express or implied by such forward-looking statements or information. Such factors include, among others, our stage of development, lack of any product revenues, additional capital requirements, risk associated with the completion of clinical trials and obtaining regulatory approval to market our products, the ability to protect our intellectual property, dependence on collaborative partners and the prospects for negotiating additional corporate collaborations or licensing arrangements and their timing. Specifically, certain risks and uncertainties that could cause such actual events or results expressed or implied by such forward-looking statements and information to differ materially from any future events or results expressed or implied by such statements and information include, but are not limited to, the risks and uncertainties that: products that we develop may not succeed in preclinical or clinical trials, or future products in our targeted corporate objectives; our future operating results are uncertain and likely to fluctuate; we may not be able to raise additional capital; we may not be successful in establishing additional corporate collaborations or licensing arrangements; we may not be able to establish marketing and the costs of launching our products may be greater than anticipated; we have no experience in commercial manufacturing; we may face unknown risks related to intellectual property matters; we face increased competition from pharmaceutical and biotechnology companies; and other factors as described in detail in our filings with the Canadian securities regulatory authorities at www.sedar.com. Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements and information, which are qualified in their entirety by this cautionary statement. All forward-looking statements and information made herein are based on our current expectations and we undertake no obligation to revise or update such forward- looking statements and information to reflect subsequent events or circumstances, except as required by law.