

**FORM 51-102F3
MATERIAL CHANGE REPORT
UNDER NATIONAL INSTRUMENT 51-102**

Item 1. Name and Address of Company

Citation Growth Corp. (“CGRO” or the “Company”)
102, 1561 Sutherland Ave.
Kelowna, BC V1Y 5Y7

Item 2. Date of Material Change

June 24, 2020

Item 3. News Release

The news release attached hereto as Schedule “A” was disseminated on June 24, 2020 by Newsfile.

Item 4. Summary of Material Change

Citation Growth Corp. closes second and third (final) tranche of private placement

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

See news release attached hereto as “Schedule A”.

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

Erik Anderson, President & CEO
Citation Growth Corp.

Item 9. Date of Report

June 24, 2020

Citation Growth Corp. Closes Second and Third (Final) Tranche of Private Placement

CGRO News Release

June 24, 2020

Kelowna, British Columbia—Citation Growth Corp. (CSE:CGRO) (OTCQX:CGOTF) ("Citation" or "Company"), a licensed U.S. multi-state cannabis cultivator, producer and retailer, announces that it has completed the second and third (final) tranche of a non-brokered private placement (the "Private Placement") consisting of 3,930,721 units at \$0.15 per unit for gross proceeds of \$589,608. Together with the first tranche, closed on March 30, 2020, the Company raised a total of \$1,007,177. No Finders' fees were payable on the private placement.

Each unit consists of one common share and one share purchase warrant. Each warrant is exercisable into one common share at an exercise price of \$0.22 per share for a period of eighteen months expiring October 24, 2021. The warrants are subject to an accelerated expiry date if the trading price of the Company's common shares closes at or above \$0.50 per share for a period of ten consecutive trading days.

The proceeds from the Private Placement will be used for general working capital purposes. All securities issued under the Private Placement are subject to a four month hold period expiring October 25, 2020.

In connection with the Private Placement, certain directors or officers of the Company ("insiders") have acquired 1,116,667 units. Participation of insiders of the Company in the Private Placement constitutes a related party transaction as defined under Multilateral Instrument 61-101 (Protection of Minority Security Holders in Special Transactions). Since the Company's shares trade only on the CSE, the issuance of securities is exempt from the formal valuation requirements of Section 5.4 of MI 61-101 pursuant to Subsection 5.5(b) of MI 61-101 and exempt from the minority approval requirements of Section 5.6 of MI 61-101.

The Company also confirms that a short-term loan of \$100,000 was provided by certain members of management and the Board in conjunction with the Private Placement. The term of the loan is 1 year with a fixed payback of 20% on or before the maturity date. Use of funds will be for general working capital purposes as the Company continues to deliver on its strategic plan as communicated to shareholders at the recent AGM in April.

About Citation Growth Corp.

Citation Growth Corp. (CSE:CGRO) (OTCQX:CGOTF) is a publicly traded company that has been investing in the development of medical and recreational cannabis products since 2014. Citation has expanded its operating portfolio to include cultivation, production and retail offerings in our key North American legal

jurisdictions Nevada, California, Washington and British Columbia. For more information, please visit www.citationgrowth.com.

For Further Information:

Erik Anderson, President and CEO

1-877-438-5448 Ext. 713

eanderson@citationgrowth.com

Cannabis Industry Involvement:

The Company owns marijuana licenses in California and Nevada. Marijuana is legal in each state; however, marijuana remains illegal under United States federal law and the approach to enforcement of U.S. federal law against marijuana is subject to change. Shareholders and investors need to be aware that federal enforcement actions could adversely affect their investments and that the Company's ability to support continuing U.S.-based operations and its access private and public capital could be materially adversely affected.

Forward-Looking Statements:

This news release contains forward-looking statements or information that relate to our current expectations and views of future events. These statements relate to future events or future performance. Statements which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, outlook, expectations or intentions regarding the future including words or phrases such as "anticipate", "objective", "may", "will", "might", "should", "could", "can", "intend", "expect", "believe", "estimate", "predict", "potential", "plan", "is designed to", "project", "continue", or similar expressions suggest future outcomes or the negative thereof or similar variations. Forward-looking statements may also include, among other things, statements about the future business strategy; expectations of obtaining licenses and permits; expectations regarding expenses, sales and operations; future customer concentration; anticipated cash needs and estimates regarding capital requirements and the need for additional financing; total processing capacity; the ability to anticipate the future needs of customers; plans for future products and enhancements of existing products; future growth strategy and growth rate; future intellectual property; changes in laws and regulations; regulatory approvals and other matters; and anticipated trends and challenges in the markets in which the Company may operate.