**NOTICE OF CHANGE IN CORPORATE STRUCTURE**

**PURSUANT TO SECTION 4.9 OF NATIONAL INSTRUMENT 51-102
"CONTINUOUS DISCLOSURE OBLIGATIONS"**

**Item 1. Names of the Parties to the Transaction:**

Terrace Global Inc. (the "**Company**")

The Flowr Corporation ("**Flowr**")

**Item 2. Description of the Transaction:**

On December 22, 2020, the Company completed a court-approved plan of arrangement carried out under Section 182 of the *Business Corporations Act* (Ontario) (the "**Arrangement**") pursuant to the terms of an arrangement agreement dated October 19, 2020, as amended November 16, 2020, between the Company and Flowr. Pursuant to the Arrangement, each outstanding common share in the capital of Terrace ("**Terrace Shares**") were transferred to Flowr in exchange for 0.4973 of a common share in the capital of Flowr ("**Flower Share**").

The common shares of the Company will be delisted from the TSX Venture Exchange on January 6, 2021.

**Item 3. Effective Date of the Transaction:**

December 22, 2020

**Item 4. Names of Each Party, if any, that Ceased to Be a Reporting Issuer Subsequent to the Transaction and of each Continuing Entity:**

The Company has applied to cease to be a reporting issuer in each of the Provinces of Ontario, Alberta and British Columbia.

**Item 5. Date of the Reporting Issuer's First Financial Year-End After the Transaction:**

N/A

**Item 6. The periods, including the comparative periods, if any, of the interim financial reports and the annual financial statements required to be filed for the reporting issuer's first financial year after the transaction:**

N/A

**Item 7. Transaction Documents Filed Pursuant to National Instrument 51-102:**

The Company filed a Notice of Special Meeting of Shareholders and Management Information Circular dated November 13, 2020 and other related materials on SEDAR. All documents filed by the Company pursuant to National Instrument 51-102 may be accessed electronically through SEDAR at www.sedar.com.