

**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

**ITEM 1. NAME AND ADDRESS OF COMPANY**

TAAT Lifestyle & Wellness Ltd. (the “Company”)  
#810 – 789 West Pender Street  
Vancouver, BC V6C 1H2

**ITEM 2. DATE OF MATERIAL CHANGE**

September 11, 2020

**ITEM 3. NEWS RELEASE**

The new release was disseminated through Globe NewsWire on September 11, 2020 and subsequently filed on SEDAR.

**ITEM 4. SUMMARY OF MATERIAL CHANGE**

That Company closed second tranche of non-brokered private placement.

**ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE**

**5.1 FULL DESCRIPTION OF MATERIAL CHANGE**

The Company closed the second and final tranche of its non-brokered private placement (the “Second Tranche”). In connection with the Second Tranche, the Company issued 2,385,272 units (the “Units”) at a price of \$0.70 per Unit for gross proceeds of \$1,669,690. Each Unit consists of one (1) common share (each, a “Share”) and one-half (1/2) of one (1) transferable Share purchase warrant (each whole warrant being a “Warrant”). Each Warrant entitles the holder thereof to purchase one (1) additional Share of the Company for a period of one year from closing at a price of \$1.00 per Share. In the event that the Shares have a closing price on the Canadian Securities Exchange (or such other exchange on which the Shares may be traded at such time) of \$1.25 or greater per Share for a period of five (5) consecutive trading days at any time from the Closing Date, the Issuer may accelerate the expiry date of the Warrants by giving notice to the holders thereof (by disseminating a news release advising of the acceleration of the expiry date of the Warrants) and, in such case, the Warrants will expire on the thirtieth day after the date of such notice. Gross total proceeds raised from the first and Second Tranche of the private placement amount to \$4,272,994.

Finder’s fees of an aggregate total of \$115,296.31 cash, 69,299 Shares and 95,410 Warrants (“Finder’s Warrants”) with an exercise price of \$1.00 to purchase one additional Share per Finder’s Warrant for a period of 12 months from closing have been paid as finder’s fees to arm’s length third parties connection with the closing of the Second Tranche.

The net proceeds from the Second Tranche will be used for marketing, development and launch of its product, investor relations activity, and for general working capital purposes. Pursuant to applicable securities laws, all securities issued under the Second Tranche are subject to a statutory hold period of four months and a day from the date of issuance.

The Company also wishes to correct the finders fees for the first tranche of the Private Placement (the “First Tranche”) disclosed in its August 28, 2020 news release. In connection with the First Tranche, the Company paid finder’s fees equal to \$130,381.02 in cash 121,000 Shares and 12,002 Finders Warrants. The terms of the Finder’s Warrants issued pursuant to the First Tranche remain unchanged.

**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**

Contact: Joel Dumaresq, CFO  
Telephone: (604) 336-3195

**ITEM 9. DATE OF REPORT**

September 18, 2020