

**FORM 51-102F3**

**Material Change Report**

**1. Name and Address of Company:**

Chemistree Technology Inc.  
P.O. Box 10322, Pacific Centre  
Suite 810 – 609 Granville Street  
Vancouver, BC V7Y 1G5

(the "Company")

**2. Date of Material Change:**

November 29, 2018

**3. News Release:**

A news release was disseminated on November 29, 2018 and was subsequently filed on SEDAR.

**4. Summary of Material Change:**

Chemistree Technology Inc. (Canadian Securities Exchange: CHM) (US OTCQB: CHMJF) (the "Company" or "Chemistree") is pleased to announce that the application requesting receipt of a Continuous Use Permit for a Cannabis Cultivation, Processing and Distribution Facility has been submitted to the City of Desert Hot Springs, California.

**5. Full Description of Material Change:**

Chemistree Technology Inc. (Canadian Securities Exchange: CHM) (US OTCQB: CHMJF) (the "Company" or "Chemistree") is pleased to announce that the application requesting receipt of a Continuous Use Permit for a Cannabis Cultivation, Processing and Distribution Facility has been submitted to the City of Desert Hot Springs, California.

Chemistree has submitted plans that include two separate cultivation buildings totaling 127,960 square feet and an additional 119,960 square foot building intended for warehousing and processing facilities. Fully constructed, a facility of this size has the potential to produce approximately 50,000 pounds of cannabis flower per year.

Chemistree president Karl Kottmeier commented, "I am really pleased to see our plans for the Desert Hot Springs property we purchased only several months ago be so quickly advanced. Our team of experienced consultants has done a great job and we are grateful to the city of Desert Hot Springs and the numerous local first responders and service providers for their receptive attitude to our submission. We are looking forward to receipt of final approval so we can begin construction."

**About Chemistree Technology Inc.**

Chemistree Technology Inc. is an investment company dedicated to the U.S. and international cannabis sector, providing turn key solutions for the regulated cannabis industry. The Company's corporate strategy is to acquire and develop vertically integrated cannabis assets, leveraging management's decades of expertise in the cannabis industry and corporate finance to own and operate licensed cultivation, processing, distribution and retail facilities. The Company currently owns assets in Washington State used to operate the Sugarleaf brand, prospective cannabis cultivation lands in California, a first investment in the Canadian cannabis sector through Pasha Brands and has a robust pipeline of assets to grow its base of business. For more information, visit [www.chemistree.ca](http://www.chemistree.ca)

**Advisory**

The Company wishes to inform shareholders that there are significant legal restrictions and regulations that govern the cannabis industry in both Canada and the United States. Cannabis-related Practices or Activities are Illegal Under U.S. Federal Laws

The concepts of "medical cannabis" and "recreational cannabis" do not exist under U.S. federal law. The Federal Controlled Substances Act classifies "marihuana" as a Schedule I drug. Under U.S. federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of safety for the use of the drug under medical supervision. As such, cannabis related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of cannabis are illegal under U.S. federal law. Strict compliance with state laws with respect to cannabis will neither absolve the Company of liability under U.S. federal law, nor will it provide a defense to any federal proceeding which may be brought against the Company. Enforcement of U.S. federal laws will be a significant risk to the business of the Company following the completion of the acquisitions, and any such proceedings brought against the Company may adversely affect the Company's operations and financial performance.

Further information regarding the legal status of cannabis related activities and associated risk factors, including, but not limited to, risk of enforcement actions, risks that third-party service providers, such as banking or financial institutions cease providing services to the Company, and the risk that Company may not be able to distribute profits, if any, from U.S. operations up to the Company, are included in the Form 2A listing statement filed with the CSE.

6. **Reliance on Subsection 7.1(2) of the National Instrument 51-102 *Continuous Disclosure Obligations*:**

Not applicable.

7. **Omitted Information:**

Not applicable.

8. **Executive Officer Knowledgeable of Material Change:**

Douglas Ford, CFO  
Telephone: (604) 678-8941

9. **Date of Report:**

November 29, 2018

**CHEMISTREE TECHNOLOGY INC.**

By: "Douglas Ford"  
Chief Financial Officer  
(Official Capacity)  
Douglas Ford  
(Please print here name of individual whose  
signature appears above.)