

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

Item 1. Name and Address of Company

Fiore Cannabis Ltd. (“**FIOR**” or the “**Company**”)
102, 1561 Sutherland Ave.
Kelowna, BC V1Y 5Y7

Item 2. Date of Material Change

January 12, 2021

Item 3. News Release

The news release attached hereto as Schedule “A” was disseminated on January 12, 2021 by Newsfile.

Item 4. Summary of Material Change

Fiore Cannabis Ltd. - Corporate Update

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
Fiore Cannabis Ltd.

Item 9. Date of Report

January 12, 2021

Fiore Cannabis Ltd. – Corporate Update

Kelowna, British Columbia—January 12, 2021 -- **Fiore Cannabis Ltd. (CSE:FIOR) (OTCQX:FIORF)** (“**Fiore**” or “**Company**”), a licensed multi-state Cannabis cultivator, producer and retailer, today released a corporate update to investors, highlighting recent company developments and updating the Company’s strategic plan heading into 2021.

Key highlights:

- Fiore’s Share Price increased 13% in 2020 and was up 116% (from 9 cents to 19.5 cents) since the name change to Fiore Cannabis Ltd.;
- Revenues for Green Leaf Wellness, Fiore’s dispensary in Desert Hot Springs, California, were up 22% year-over-year;
- Inventory for Fiore’s Apex cultivation and production facility in Las Vegas currently sits at 60 pounds of dry 100% organically soil-grown flower, 77 pounds of trim, 287 pounds of fresh frozen biomass and 4.4 pounds of distillate;
- Operating expenses for the company decreased by 34% in 2020 compared to 2019;
- Company raised more than \$2.2mm CAD from two Private Placements in 2020;
- Company secured \$2mm USD loan as a private mortgage secured against US assets;
- Work continued uninterrupted within the global pandemic brought on by COVID-19 as Fiore’s operations in Nevada and California were deemed essential services;
- Returned 18.5-million shares to treasury by unwinding the merger with ACC Enterprises;
- Crossed more than 10-million shares to insiders to address sell-side pressure on the CSE;
- Insiders and investors know to management equal approximately 80% of the 133-million issued and outstanding shares;
- US election of Biden/Harris and the Georgia Senate runoff going to the Democratic Party have combined to open the door to cannabis-friendly legislation in the form of the MORE Act, the SAFE Banking Act and the STATES Act.

Fiore enters the 2021 fiscal year with a great deal of market momentum. At the Apex facility, three flower harvests will be packaged and ready for sale to the Nevada market in late January. Three more harvests will follow in February and two more in March. Fiore is also processing all its crude extracts into live resin distillate ready for vape cartridges that will be marketed under their Diamante brand. Additional brands have been created to bring specialty extracts and concentrate products to market in Nevada.

The global pandemic brought on by COVID-19 has not posed a serious threat to Fiore’s operations thanks to the immediate safety protocols put into place at the beginning of the outbreak. As the company moves into 2021, Fiore will continue its forward momentum by focusing to perfect the business model for Apex in Nevada and its retail dispensary in California.

About Fiore Cannabis Ltd.

Fiore Cannabis Ltd. (CSE:FIOR) (OTCQX:FIORF) is a publicly traded company that has been investing in the development of medical and recreational cannabis products since 2014. Fiore has expanded its operating portfolio to include cultivation, production and retail offerings in our key North American legal jurisdictions Nevada, California and British Columbia. For more information, please visit www.fiorecannabis.com

For Further Information:

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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, including in respect of the closing of the fourth tranche, the use of proceeds, any extension of the Maturity Date and increases regarding the size of the Debenture offering. 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.

These forward-looking statements are based on the Company's current projections and expectations about future events and financial trends that management believes might affect its financial condition, results of operations, business strategy and financial needs, and on certain assumptions and analysis made by the Company in light of the experience and perception of historical trends, current conditions and expected future developments and other factors management believes are appropriate.

Forward-looking information and statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of the Company to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking information and statements herein. Such factors include, among others: the risks and uncertainties identified in the Company's reports and filings with the applicable Canadian securities regulators. Although the Company believes that any forward-looking information and statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such information and statements, there can be no assurance that any such forward-looking information and statements will prove to be accurate, and accordingly readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance upon such forward-looking information and statements. Any forward-looking information and statements herein are made as of the date hereof, and except as required by applicable laws, the Company assumes no obligation and disclaims any intention to update or revise any forward-looking information and statements herein or to update the reasons that actual events or results could or do differ from those projected in any forward looking information and statements herein, whether as a result of new information, future events or results, or otherwise, except as required by applicable law.