

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

Item 1 Name and Address of Company

Sativa Wellness Group Inc. (the “**Company**”)
The Blue Building, Stubbs Lane
Beckington, Frome, Somerset BA14 6TE
United Kingdom

Item 2 Date of Material Change

May 20, 2021

Item 3 News Release

The news release concerning the material change described herein was disseminated on May 20, 2021 and subsequently filed on SEDAR.

Item 4 Summary of Material Change

The Company announced that it has closed second and final tranche of \$4.6 Million Private Placement

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company announced that, further to its news releases dated February 24, 2021 and April 8, 2021, it has closed the second and final tranche of the Company’s non-brokered private placement (the “**Offering**”) of units (the “**Units**”). Together with the first tranche closing of the Offering announced by the Company on April 8, 2021, the Company issued an aggregate 58,590,287 Units at a price of \$0.07875 per Unit, for aggregate gross proceeds of \$4,613,985.10.

In this second tranche, the Company issued an aggregate of 12,701,557 Units at a price of \$0.07875 per Unit, for aggregate gross proceeds of \$1,000,247.61.

Each Unit consists of one common share in the capital of the Company (a “**Share**”) and one-half of one common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant will entitle the holder to purchase one common share in the capital of the Company (a “**Warrant Share**”) at a price of \$0.105 per Warrant Share until May 20, 2023.

In connection with this final tranche of the Offering, the Company issued and paid 901,587 finder’s units (each a “**Finder’s Unit**”) and 901,587 finder’s warrants (each a “**Finder’s Warrant**”) to Canaccord Genuity Corp. Each Finder’s Unit consists of one common share (a “**Finder’s Share**”) and one-half of one Finder’s Warrant. Each whole Finder’s Warrant entitles the holder thereof to purchase one additional finder’s share (a

“**Finder’s Warrant Share**”) at an exercise price of \$0.105 per Finder’s Warrant Share, until May 20, 2023.

All securities issued in connection with the final tranche of the Offering will be subject to a statutory hold period expiring on September 21, 2021, in accordance with applicable Canadian securities laws.

The Company intends to use the net proceeds from the Offering for working capital and investment across the whole wellness business.

One insider of the Company was issued, directly or indirectly, an aggregate total of 13,181,717 Units for aggregate gross proceeds of \$1,038,060.21. Such participation is considered to be a “related party transaction” as defined under Multilateral Instrument 61-101 (“**MI 61-101**”). The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101, as neither the fair market value of any securities issued to insiders nor the consideration paid by such persons exceeded by 25% of the Company’s market capitalization.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Anne Tew
Chief Financial Officer
Phone: +44 1373 486595
E-mail: enquiries@sativawellnessgroup.com

Item 9 Date of Report

May 27, 2021