

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Umbral Energy Corp.
929 Mainland Street
Vancouver, British Columbia Canada V6B 1S3

Item 2. Date of Material Change

News Release dated March 6, 2017.

Item 3. News Release

News Release dated March 6, 2017 was filed on SEDAR and disseminated via The Newswire on March 6, 2017.

Item 4. Summary of Material Change

Umbral Energy Corp. (the “**Company**”) announced acquisition of an additional 25% interest in PhyeinMed Inc., a Health Canada Stage 5 Review Stage Applicant under the Access to Cannabis for Medical Purposes Regulations (“ACMPR”).

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

The Company announced on March 6, 2017, *inter alia*, as follows:

(“**Umbral or Company**”) is pleased to announce that it has signed a binding Letter of Intent (“LOI”) to acquire an additional 25% interest in PhyeinMed Inc. (“**PhyeinMed**”), a Health Canada Stage 5 Review Stage applicant under the ACMPR (Access to Cannabis for Medical Purposes Regulations). With this purchase, Umbral now holds 75% ownership of PhyeinMed Inc.

Currently PhyeinMed is owned 50% by Estek Ventures Corp. (Estek). This agreement will see Umbral acquire an additional 25% via its wholly owned subsidiary 1005477 BC Inc. The revised ownership of PhyeinMed will be Umbral with 75%, and Estek with 25%.

The Terms of the agreement are as follows:

- 1) \$100,000.00 CAN cash payment
 - a) \$50,000.00 due on signing of the LOI (paid)
 - b) \$50,000.00 due on completion of Share Purchase Agreement
- 2) 7,000,000 shares in Umbral Energy Corp (C:UMB)
- 3)
 - a. Released over 3 year escrow period.
 - b. 100% of all shares released from escrow upon ACMPR Stage 7 license approval awarded if this is accomplished prior to the 36 months.
 - c. 100% of all shares released from escrow as of 36 months if not released prior.
- 4) Estek to be granted a bonus of 1,000,000 shares of Umbral Energy Corp. (C:UMB) upon final award of ACMPR Stage 7 license approval awarded, no escrow on this award.

Pre-build preparations have started and PhyeinMed has started the preliminary work required to complete the renovations and security requirements for the 13 acre property with a 10,000 square feet steel framed building in Falkland, British Columbia. Once an affirmation letter has been received from Health Canada, PhyeinMed will be prepared for an inspection.

The Company also plans to build through potential partnerships, international opportunities, strategic alliances, accessory and ancillary relationships with an emphasis on future revenue generating cannabis opportunities.

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

None.

Item 8. Executive Officer

Jagdip Bal, President and Chief Executive Officer, telephone: 604-628-1767.

Item 9. Date of Report

March 7, 2017.