

FORM 51-102F3
Material Change Report

Item 1. Name and Address of Company

CannaRoyalty Corp. (the “Company”)
343 Preston Street, 11th Floor
Ottawa, Ontario K1S 1N4

Item 2. Date of Material Change

Material changes took place on December 5 and December 8, 2016.

Item 3. Press Release

On December 6 and December 8, 2016, news releases in respect of the material change were disseminated on the Company’s SEDAR profile at www.sedar.com and through a news wire service.

Item 4. Summary of Material Change

On December 6, 2016, the Company (formerly Bonanza Blue Corp.) closed its previously announced “three-cornered” amalgamation (the “RTO”) under the provisions of the *Canada Business Corporations Act*, pursuant to which Cannabis Royalties & Holdings Corp. (“CRHC”) and 9995471 Canada Corp. (“AcquisitionCo”), a wholly-owned subsidiary of the Company, amalgamated, the existing shareholders of CRHC became shareholders of the Company, and the amalgamated entity continued as a subsidiary of the Company. In addition, immediately prior to the RTO, the Company consolidated its issued and outstanding shares on the basis of 5:1 and changed its name from “Bonanza Blue Corp.” to “CannaRoyalty Corp.”

In addition, prior to the RTO, the escrowed proceeds of \$5,004,000 from CRHC’s previously announced brokered private placement of subscription receipts were released to CRHC. Each subscription receipt was converted into one CRHC common share, which was then exchanged for one economically equivalent CannaRoyalty share pursuant to the RTO.

The Company had previously announced receipt of conditional approval for the listing of its common shares on the Canadian Securities Exchange (“CSE”), and further to that announcement, confirmed that trading of the shares was to commence on the CSE under the symbol “CRZ” on December 8, 2016.

Item 5. Full Description of Material Change

Item 5.1 Full Description of Material Change

The material change is described in the Company's press releases dated December 6, 2016 and December 8, 2016 attached hereto as Schedule "A", which press releases are incorporated by reference herein.

Item 5.2 Disclosure for Restructuring Transaction

The RTO is described in the Company's listing statement dated December 5, 2016, which is available on the Company’s SEDAR profile at www.sedar.com and incorporated by reference herein.

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

The report is not being filed on a confidential basis.

Item 7.

Omitted Information

No information has been omitted.

Item 8.

Executive Officer

Marc Lustig, Chief Executive Officer
514-243-7438

Item 9.

Date of Report

December 15, 2016

SCHEDULE "A"

Please see attached.

NEWS RELEASE

CannaRoyalty Completes RTO and Announces December 8 Trading Date

December 6, 2016 –Ottawa, Canada – CannaRoyalty Corp. is pleased to announce that its wholly-owned subsidiary has completed a three-cornered amalgamation with Cannabis Royalties & Holdings Corp. (“**CRHC**”) that has resulted in the reverse takeover of CannaRoyalty by CRHC (the “**RTO**”).

As previously announced, CannaRoyalty received conditional approval to have its common shares listed on the Canadian Securities Exchange (the “**CSE**”). The CannaRoyalty common shares are expected to commence trading under the symbol “**CRZ**” on December 8, 2016, subject to satisfaction of the customary listing conditions of the CSE.

Completion of the RTO

Pursuant to the RTO, the issued and outstanding securities of CRHC were exchanged for equivalent securities of CannaRoyalty on a one-for-one basis. Prior to the RTO, CannaRoyalty changed its name from Bonanza Blue Corp. to CannaRoyalty Corp. and completed a 5 for 1 share consolidation. In addition, prior to the RTO, the escrowed proceeds from CRHC’s previously announced brokered private placement of subscription receipts were released to CRHC. Each subscription receipt was converted into one CRHC share, which was then exchanged for one CannaRoyalty share pursuant to the RTO. CannaRoyalty expects to use the net proceeds of the Offering for future acquisitions, general corporate and working capital purposes.

A listing statement describing CannaRoyalty, prepared in accordance with the policies of the CSE, will be made available on SEDAR at www.sedar.com. The information regarding CannaRoyalty, the RTO and the financing contained herein is qualified in its entirety by reference to the more detailed information contained in the listing statement.

About CannaRoyalty Corp.

CannaRoyalty is a fully integrated, active investor and operator in the legal cannabis sector. Our focus is to build and support a diversified portfolio of growth-ready assets in key segments of the cannabis sector, including research, consumer brands, devices and intellectual property. Our management team combines a hands-on understanding of the cannabis industry with seasoned financial know-how, assembling a platform of holdings via royalty agreements, equity interests, secured convertible debt and licensing agreements.

For further information, please contact:

Media relations: Nancy White, Vice President, Corporate Communication
nwhite@cannaroyalty.com; 1-844-556-5070 or 416-876-1400

Investor inquiries: Clinton Joseph, Manager, Investor Relations
cjoseph@cannaroyalty.com; 1-844-556-5070 or 613-806-8007

Cautionary Statement on Forward-Looking Information

Certain information contained in this press release, including any information as to Cannabis Royalties & Holdings Corp.’s (the “**Corporation**”) strategy, projects, plans or future financial or operating performance, constitutes "forward-looking statements". All statements, other than statements of historical

fact, are forward-looking statements. The words "will", "expect", "continue", "assess", "designed to prevent" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions; including material estimates and assumptions related to the factors set forth below that, while considered reasonable by the Corporation as at the date of this press release in light of each of management's experience and perception of current conditions and expected developments, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and undue reliance should not be placed on such statements and information. Such factors include, but are not limited to: regulatory risks; operational risks and/or operating or technical difficulties; the speculative nature of the cannabis industry; changes in national and local government legislation, taxation, controls, regulations or guidelines and/or changes in the administration of laws, policies and practices or political or economic developments in Canada, the United States and other jurisdictions in which the Corporation does or may carry on business in the future; lack of certainty with respect to foreign legal systems, corruption and other factors that are inconsistent with the rule of law; unfavourable publicity or consumer perception; limited operating history; competition; the inability to open a bank account; requiring additional equity and/or debt financing to undertake capital expenditures or to undertake acquisitions or other business combination transactions; fluctuations in the currency markets; changes in U.S. dollar interest rates; risks associated with strategic acquisitions; unprofitability of research and market development activities; employee relations including loss of key employees or management; failure to obtain or maintain the necessary licenses, permits, authorizations or accreditations; litigation, formal or informal complaints, enforcements actions, and inquiries; product liability claims or any regulatory action; difficulty in reselling securities; price volatility of publicly traded securities; the development of competing technology; difficulty implementing a business strategy; inability to obtain insurance; and lack of adequate personnel and expertise.

The forward-looking statements included in this document are made as of the date of this document and the Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation. Although management of the Corporation believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct.

Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

NEWS RELEASE

CannaRoyalty Commences Trading and Acquires Majority Stake in DermaLeaf Skincare

December 8, 2016 – Ottawa, Canada – CannaRoyalty Corp. is pleased to announce today the commencement of trading of the company’s common shares on the Canadian Securities Exchange (the “CSE”), under the symbol “CRZ”.

“With the start of public trading, we are delighted to provide CannaRoyalty investors with access to high value assets that cover the full spectrum of the cannabis market in both U.S. and Canada,” said Marc Lustig, CEO, CannaRoyalty.

CannaRoyalty is also continuing to grow its stable of new and established consumer brands and products. The company has acquired a 70% equity interest in Achelois LLC, a California-based company that develops and manufactures DermaLeaf skincare products, a unique line of cannabis-infused lotions featuring fibroblast cells.

“From quality consumer brands to the latest devices, research and intellectual property, we are positioning our investors at the leading edge of the cannabis market,” Lustig added. “Our acquisition of a majority share of DermaLeaf is yet another example of this.”

DermaLeaf Skincare Acquisition

DermaLeaf products target a growing market for topical, cannabis-infused skincare and health and beauty products. DermaLeaf’s formula combines fibroblast cells with certain cannabinoids extracted from cannabis. Fibroblasts are a type of cell found in the connective tissue of the body’s organs, where they produce proteins such as collagen. Dermal fibroblasts exist within the dermis layer of skin which are responsible for generating connective tissue and allowing the skin to recover from injury.

Achelois founder Tina King was responsible for developing the proprietary formulations that include fibroblasts and are the cornerstone of all DermaLeaf products. “The body of science demonstrating therapeutic applications for both fibroblast cells and cannabinoids is growing, and applications suggested in pain relief, deep skin repair, severe burns, scar repair and wrinkle reduction,” said Tina King, President of Achelois. “While there are a number of cannabis topicals on the market today, we believe that DermaLeaf is a truly unique product line and welcome this opportunity to partner with CannaRoyalty.”

In addition to providing the capital required to commercialize DermaLeaf products, initially in California and ultimately across a number of U.S. states and globally, CannaRoyalty is also providing a range of strategic and functional expertise, including branding, marketing and distribution.

DermaLeaf product images are available on CannaRoyalty’s new website at www.cannaroyalty.com.

About Cannabis Royalties & Holdings Corp. (CRHC) and CannaRoyalty Corp.

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