

FORM 51-102F3
Material Change Report

Item 1.

Name and Address of Company

CannaRoyalty Corp. (the 'Company')
333 Preston Street, Preston Square Tower 1, Suite 610
Ottawa, Ontario K1S 5N4

Item 2.

Date of Material Change

A material change took place on August 23, 2017.

Item 3.

Press Release

On August 23, 2017, a news release in respect of the material change was disseminated on the Company's SEDAR profile at www.sedar.com and through a news wire service.

Item 4.

Summary of Material Change

On August 23, 2017, the Company announced it had executed a revolving \$12 million secured credit facility (the 'Facility') with Sprott Canna Holdco Corp. ('Sprott'), a subsidiary of Sprott Inc.

Item 5.

Full Description of Material Change

The Facility has a three-year term and is secured against the Canadian assets of the Company. Any outstanding principal amount will bear interest at an annual rate of 10%, payable quarterly in cash or Company shares issued at a 10% discount. The Company has not drawn on the Facility, but expects to draw on the Facility for general corporate purposes and to finance accretive transactions, as they arise. Draws are subject to prior written consent of Sprott regarding the use of proceeds. The Facility contains customary restrictions on the Company's business, including a requirement to maintain a minimum of \$2 million in working capital.

Prior to closing, but in connection with the financing, Company warrants were issued to Sprott on June 19, 2017 which entitle Sprott to purchase 1.8 million of the Company's shares at an exercise price of \$2.05 per share for a period of three years after closing. The warrants are non-transferable, other than to certain permitted transferees.

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

François Perrault, Chief Financial Officer
(844) 556-5070

Item 9.

Date of Report

DATED at Ottawa, in the Province of Ontario, this 5th day of September, 2017.