

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, ON K1S 5N4

Item 2. Date of Material Change

March 27, 2018.

Item 3. Press Release

On March 27, 2018, a news release in respect of the material change was disseminated through Canada NewsWire and filed on the Company’s SEDAR profile at www.sedar.com.

Item 4. Summary of Material Change

On March 27, 2018, the Company announced that it had entered into a binding term sheet for the acquisition of 100% of River Distribution and its affiliates (“RVR”) (the “Acquisition”).

Item 5. Full Description of Material Change

On March 27, 2018, the Company announced that it had entered into a binding term sheet with respect to the Acquisition.

RVR has been granted a Temporary Cannabis Distribution License (Type 11 - Recreational) and a Temporary Cannabis Distribution License (Type 11 - Medical) by the State of California and has two licensed facilities in California. In the 2017 fiscal year, River Distribution generated US 25.4 million in revenue.¹

The base consideration for the Acquisition was 5,000,000 common shares of the Company (the “CR Shares”), with 1,650,000 of such CR Shares subject to operational milestones. Additional consideration for the Acquisition is 2,000,000 CR Shares, subject to the successful completion by RVR of financial milestones to be agreed on by the parties. All consideration will be in CR Shares and issued in installments. The Acquisition is expected to close by the end of Q2 2018 and is subject to conditions, including receipt of any required approvals and satisfactory completion of due diligence.

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.

¹ Fiscal 2017 revenue, based on unaudited financial statements. US\$31.9 million represents: US\$25.4 million for RVR and US\$6.5 million for Alta Supply.

Item 8. Executive Officer

Marc Lustig, Chief Executive Officer
(514) 243-7438

Item 9. Date of Report

April 6, 2018.

Forward Looking Statements

Statements in this material change report that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in the Company's periodic filings with Canadian securities regulators. When used in this material change report, words such as "will, could, plan, estimate, expect, intend, may, potential, believe, should," and similar expressions, are forward- looking statements.

Forward-looking statements may include, without limitation, statements with respect to the payment of all consideration in CR Shares, the payment of the additional consideration of 2,000,000 CR Shares, the issuance of the CR Shares in installments, the satisfaction of all conditions of the Acquisition, the expected closing timing of the Acquisition and the Company's expectations with respect to pursuing new opportunities and its future growth and other statements of fact.

Although the Company has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking statements, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended, including, but not limited to: the payment of consideration being in a form other than CR Shares, non-payment, in whole or in part, of the additional consideration of 2,000,000 CR Shares to RVR, the issuance of the CR Shares in a manner other than in installments, the inability of the Company or RVR to satisfy or waive all conditions of the Acquisition, a change in the closing timing or the inability to close the Acquisition, issues that arise as a result of the Company investing in target companies or projects which have limited or no operating history and are engaged in activities currently considered illegal under US Federal Laws, changes in laws, a change in management, the inability to obtain additional financing, increased competition, hindering market growth and state adoption due to inconsistent public opinion and perception of the medical-use and adult-use marijuana industry and, regulatory or political change.

There can be no assurance that such information will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. As a result of these risks and uncertainties, the results or events predicted in these forward-looking statements may differ materially from actual results or events.

Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this material change report are made as of the date of this material change report. The Company disclaims any intention or obligation to update or revise such information, except as required by applicable law, and the Company does not assume any liability for disclosure relating to any other company mentioned herein.