

## 51-102F3 Material Change Report [F]

### Item 1 Name and Address of Company

Valens Groworks Corp.  
1400, 1040 West Georgia Street  
Vancouver, BC V6E 4H1

### Item 2 Date of Material Change

July 20, 2017

### Item 3 News Release

The news release dated July 20, 2017 was disseminated through Canada Stockwatch and Market News under section 7.1 of National Instrument 51-102.

### Item 4 Summary of Material Change

N/A

### Item 5 Full Description of Material Change

#### 5.1 Full Description of Material Change

Please refer to attached news release.

#### 5.2 Disclosure for Restructuring Transactions

N/A

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

N/A

### Item 7 Omitted Information

N/A

### Item 8 Executive Officer

Tyler Robson, CEO, Valens Groworks Corp.

### Item 9 Date of Report

June 21, 2017

## ***VALENS GROWORKS APPOINTS PRESIDENT, GRANTS STOCK OPTIONS***

*Vancouver, B.C., July 20, 2017 – Valens GroWorks Corp. (CSE: VGW) (the “Company” or “Valens”) is pleased to announce that Mr. Saul Katz has joined the Company as its President.*

Mr. Katz brings to Valens 35 years of entrepreneurship, senior management experience and scientific expertise in functional food product development and commercialization. Over his career he established research collaborations with leading scientific institutions as well as technology licensing agreements with major international firms. As a pioneer in the functional food and nutraceutical industries, he authored articles, presented as guest speaker and chaired agricultural, nutraceutical and functional food symposia.

From 1995 to 2016 Mr. Katz founded and was CEO of New Era Nutrition, a leading-edge functional food research and development company which developed and licensed proprietary formulations to food, pharmaceutical and supplement companies. In 2013 Mr. Katz commercialized New Era’s low glycemic platform technology, establishing Canada-wide distribution and sale of its SoLo GI Energy Bar line and overseeing its more recent planned expansion into the U.S. Having installed a strong management team and board of directors, Mr. Katz stepped back from operations last year to spend more time with his family in Kelowna, remaining as its Chairman.

Mr. Katz obtained his undergraduate degree from McGill University in 1975 and completed a combined Bachelor of Common Law and Civil Law from the University of Ottawa in 1979. Having articulated at the Department of Justice in Ottawa, he was called to the Ontario law bar in 1980 and the Alberta law bar in 1981. From 1981 to 1984 Mr. Katz acted as legal counsel for Alberta Energy Company in Calgary and from 1985 to 1995 was Vice President and General Counsel for the Ghermezian family’s Triple Five Group, developer of the West Edmonton Mall, Mall of America, and the concept of “*retailtainment*”.

*Saul Katz commented “I have been fortunate to be at the forefront of the functional food revolution and now to bring that knowledge to advance the cannabis industry. As Canada leads the developed world with a regulatory path towards full adult legalization, the Okanagan Valley and Valens GroWorks are poised to become leading centres for research, development and production of high-quality medical marijuana and cannabis derivatives. The opportunity to position ourselves for the coming recreational market is very timely, but the science, unique-strain-variety, quality control and branding opportunities that tie into the vast international functional foods and natural health products market is particularly inspiring. Canada’s regulatory and food inspection systems are already internationally respected, providing us a unique platform to brand our products.”*

Tyler Robson, the Company’s CEO commented “As Valens accelerates its expansion strategy and commences the buildout of its production footprint, we are particularly fortunate to be able to attract a proven leader with the science, experience and professionalism Saul brings to the Company. We are currently focused on near term production and cash flow, but the longer-term benefits of product development, quality control, strain differentiation and branding will position us as a reliable, scalable producer of science-backed quality products.”

### ***Option Grant***

The Company is granting stock options to acquire an aggregate of 2.49 million common shares in the capital of the Company at an exercise price of \$1.00 per common share, expiring on the fifth anniversary of the grant (collectively, the “**Stock Option**”). The Stock Option vests in stages over the course of two (2) years with 25% to vest immediately and a further 12.5% to vest in each three-month period thereafter. The Stock Options are being granted in accordance with the Company’s stock option plan, and are subject to regulatory approval.

### **About Valens GroWorks Corp.**

Valens GroWorks Corp is a CSE-listed company with an aggressive buildout strategy in progress. The Company seeks to capture a broad spectrum of clinical trial and R&D clients, medical marijuana users, as well as recreational users once legalized, in pursuit of its ambitious seed-to-sale and farm-to-pharma

objectives. The Company also provides management, consulting, testing and support services to domestic and international licensees, as well as financing and managing the buildout of fully-licensed 3<sup>rd</sup> party operations.

The Company has two wholly-owned subsidiaries based in the Okanagan Valley of British Columbia: 1) Valens Agritech Ltd. (“**VAL**”) which holds a Controlled Drugs and Substances Dealers Licence at its state-of-the-art production facility in Kelowna, British Columbia, and 2) Supra THC Services Inc. (“**Supra**”), a Health Canada licensed cannabis testing lab providing sector-leading analytical and proprietary services to Licensed Producers and ACMPR patients.

***On behalf of the Board of Directors,  
VALENS GROWORKS CORP.***

*(signed) “Tyler Robson”*

*Chief Executive Officer*

***For further information, please contact:***

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*Notice regarding Forward Looking Statements*

*This news release contains certain "forward-looking statements" within the meaning of such statements under applicable securities law. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Corporation is under no obligation, and expressly 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 law.*

*The CSE or other regulatory authority has not reviewed, approved or disapproved the contents of this press release. We seek Safe Harbour.*