

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

August 11, 2017

Item 3 News Release

The news release dated August 11 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

August 11, 2017

VALENS GROWWORKS CLOSES FIRST TRANCHE OF OFFERING

Vancouver, B.C., August 11, 2017 – Valens GroWorks Corp. (CSE: VGW) (the “Company” or “Valens”), a vertically integrated provider of cannabis products, is pleased to announce it is closing 3,250,615 units (the “Units”) for proceeds of \$3,250,615, the first tranche of its non-brokered private placement to raise up to \$4,000,000 at a price of \$1.00 per Unit (the “Offering”), as announced on July 26, 2017.

Insiders subscribed for an aggregate of 3,250,615 Units. The Company intends to use the proceeds of the Offering to repay corporate indebtedness incurred for the original facility buildout plus accrued interest, additional plant expansion, including additional growing and oil extraction capacity at existing facilities, marketing & branding initiatives and other growth opportunities and for general corporate purposes.

Closing of the Offering is subject to a number of conditions, including receipt of all necessary corporate and regulatory approvals, including the CSE. All securities issued pursuant to this private placement are subject to a hold period expiring four months and one day from the date of issuance. The Company expects to close any second and final tranche on or about August 18, 2017.

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 adult 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 buildouts of fully-licensed 3rd 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 GROWWORKS CORP.**

(signed) “Tyler Robson”

Chief Executive Officer

For further information, please contact:

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