

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of the Company

Valens Groworks Corp. (the “Company”)
1400, 1040 West Georgia Street
Vancouver, BC V6E 4H1

Item 2 Date of Material Change

February 5, 2018 and February 9, 2018

Item 3 News Release

A news release with respect to the material change referred to in this report was disseminated by the Company through Canada Stockwatch and Market News and was subsequently filed on the System for Electronic Document Analysis and Retrieval (SEDAR) on February 13, 2018.

Item 4 Summary of Material Change

On February 5, 2018, the completed the first tranche of a previously announced non-brokered private placement of common shares in the capital of the Company at a price of \$1.40 per share (the “Offering”), issuing 1,997,536 common shares for gross proceeds of \$2,796,550.

On February 9, 2018, the Company completed the second and final tranche of the Offering, issued 6,849,514 common shares for gross proceeds of \$9,589,319.60. Certain eligible persons (“Finders”) were paid a cash fee equal to 8% of the proceeds raised from subscribers introduced by such Finders, a portion of such fees which were settled by the issuance of an aggregate of 70,565 common shares to such Finders.

Item 5 Full Description of Material Change

On February 5, 2018, that Company announced an increase to its December 27, 2017-announced Offering to up to \$12,000,000 through the issuance of up to 8,571,428 common shares in the capital of the Company at a price of \$1.40 per share. The Company also closed the first tranche of the Offering, issuing 1,997,536 common shares for gross proceeds of \$2,796,550. On February 9, 2018, the Company completed the over-subscribed second and final tranche of the Offering issuing 6,849,514 common shares for gross proceeds of \$9,589,319.60. In total the Company raised an aggregate of \$12,385,870 pursuant to the over-subscribed Offering, through the issuance of 8,847,050 common shares. The net proceeds of the Offering will be used to fund additional growing and oil extraction capacity at existing facilities, to increase the size of the facilities, and for general corporate purposes.

Certain eligible Finders were paid a cash fee equal to 8% of the proceeds raised from subscribers introduced by such Finders, a portion of such fees which were settled by the issuance of an aggregate of 70,565 common shares to such Finders.

All securities issued in connection with the Offering are subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons as defined under applicable securities laws unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Tyler Robson
Chief Executive Officer
Valens Growworks Corp.

Item 9 Date of Report

February 15, 2018