

## 51-102F3 MATERIAL CHANGE REPORT

### **Item 1 Name and Address of Company**

**Pure Extracts Technologies Corp. (the “Company”)**  
7341 Industrial Way, Unit 6  
Pemberton, BC V0N 2K0

### **Item 2 Date of Material Change**

January 21, 2021

### **Item 3 News Release**

NR #21-04 dated January 21, 2021

### **Item 4 Summary of Material Change**

The Company closes upsized \$8.5 million offering with strong retail demand.

### **Item 5 Full Description of Material Change**

The Company announces that it has completed the second and final tranche of its non-brokered private placement offering of special warrants (each, a “Special Warrant”) at \$0.505 per Special Warrant, previously announced on December 16, 2020 (the “Private Placement”). At this final closing, the Company issued and sold an aggregate of 10,839,230 Special Warrants for gross proceeds of \$ \$5,473,811.14. Together with the first closing, the Company issued an aggregate of 16,900,263 Special Warrants for gross proceeds of \$8,534,632.81 pursuant to the Private Placement.

The Special Warrants will automatically convert to units (the “Units”) upon the earlier of the receipt for a final prospectus qualifying the distribution of the Units or four months and a day from the closing date of the final tranche of the Private Placement, which is May 21, 2021. Each Unit will be comprised of one common share of the Company (each a “Common Share”) and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a “Warrant”). Each Warrant will entitle the holder to acquire one Common Share (a “Warrant Share”) at an exercise price of \$0.65 per Warrant Share for a period of 24 months following the deemed exercise date of the Special Warrants.

All securities issued under the final tranche of the Private Placement will be subject to a statutory 4-month hold period, which expires on May 21, 2021, in accordance with applicable Canadian securities laws.

The Company will use its commercially reasonable efforts to qualify the distribution of the Common Shares and Warrants issuable upon exercise of the Special Warrants by way of a short form prospectus (“Qualifying Prospectus”). The Company will make an application to list the Warrants on the Canadian Securities Exchange (the “Exchange”), subject to the Company fulfilling all of the listing requirements of the Exchange. The Special Warrants will not be listed on any stock exchange or over-the-counter market.

The Company also announces it has granted 5,000,000 stock options to purchase common shares to certain directors, officers, employees and consultants of the Company. The options

are exercisable for periods ranging from two to five years from the date of issuance at an exercise price of \$0.73.

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

This report is not being filed on a confidential basis in reliance on subsection 7.1(2) of National Instrument 51-102.

**Item 7 Omitted Information**

No information has been omitted on the basis that it is confidential information.

**Item 8 Executive Officer**

The following officer of the Company is knowledgeable about the material change disclosed in this report: Ben Nikolaevsky, CEO & Director, Tel: +1(604)343-2724

**Item 9 Date of Report**

January 21, 2021



## NEWS RELEASE

### PURE EXTRACTS CLOSES UPSIZED \$8.5 MILLION OFFERING WITH STRONG RETAIL DEMAND

*Not for distribution to United States newswire services or for release, publication, distribution or dissemination, directly or indirectly, in whole or in part, in or into the United States.*

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**Vancouver, B.C., January 21, 2021 – Pure Extracts Technologies Corp. (“Pure” or the “Company”)** (CSE: PULL)(XFRA: A2QJAJ) is pleased to announce that it has completed the second and final tranche of its non-brokered private placement offering of special warrants (each, a “**Special Warrant**”) at \$0.505 per Special Warrant, previously announced on December 16, 2020 (the “**Private Placement**”). At this final closing, the Company issued and sold an aggregate of 10,839,230 Special Warrants for gross proceeds of \$5,473,811.14. Together with the first closing, the Company issued an aggregate of 16,900,263 Special Warrants for gross proceeds of \$8,534,632.81 pursuant to the Private Placement.

The Special Warrants will automatically convert to units (the “**Units**”) upon the earlier of the receipt for a final prospectus qualifying the distribution of the Units or four months and a day from the closing date of the final tranche of the Private Placement, which is May 21, 2021. Each Unit will be comprised of one common share of the Company (each a “**Common Share**”) and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a “**Warrant**”). Each Warrant will entitle the holder to acquire one Common Share (a “**Warrant Share**”) at an exercise price of \$0.65 per Warrant Share for a period of 24 months following the deemed exercise date of the Special Warrants.

Finder’s fees of \$139,501.41 cash and 395,817 finder’s warrants (each a “**Finder’s Warrant**”) were paid and issued in conjunction with the final tranche of the Private Placement. Each Finder’s Warrant entitles the holder thereof to purchase one common share of the Company (the “**Finder’s Warrant Shares**”) at an exercise price of \$0.65 per Finder’s Warrant Share until January 20, 2023.

All securities issued under the final tranche of the Private Placement will be subject to a statutory 4-month hold period, which expires on May 21, 2021, in accordance with applicable Canadian securities laws.

The Company intends to use net proceeds from the Private Placement primarily for expansion of capacity for the Company’s extraction business and for general working capital.

The Company will use its commercially reasonable efforts to qualify the distribution of the Common Shares and Warrants issuable upon exercise of the Special Warrants by way of a short form prospectus (“**Qualifying Prospectus**”). The Company will make an application to list the Warrants on the Canadian Securities Exchange (the “**Exchange**”), subject to the Company fulfilling all of the listing requirements of the Exchange. The Special Warrants will not be listed on any stock exchange or over-the-counter market.

The Company has filed a preliminary base shelf prospectus, which is available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S.

registration requirements. This news release does not constitute an offer for sale of securities for sale, nor a solicitation for offers to buy any securities.

The Company also announces it has granted 5,000,000 stock options to purchase common shares to certain directors, officers, employees and consultants of the Company. The options are exercisable for periods ranging from two to five years from the date of issuance at an exercise price of \$0.73.

### **About the Company**

The Company features an all-new, state-of-the-art processing facility located just 20 minutes north of world-famous Whistler, British Columbia. The bespoke facility has been constructed to European Union GMP standards aiming towards export sales of products and formulations, including those currently restricted in Canada, into European jurisdictions where they are legally available. On September 25, 2020, Pure Extracts was granted its Standard Processing License by Health Canada under the Cannabis Act and the Company's stock began trading on the Canadian Securities Exchange (CSE) on November 5, 2020. Find out more at <https://pureextractscorp.com/>.

For further information please contact Empire Communications Group at (604) 343-2724.

### **ON BEHALF OF THE BOARD**

(signed) "Ben Nikolaevsky"

Ben Nikolaevsky  
CEO and Director

*This information release contains certain forward-looking information, including about the proposed use of proceeds of the Private Placement, the receipt of a final qualifying short form prospectus, the receipt of CSE approval and the listing of the Warrants. Such information involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by statements herein, and therefore these statements should not be read as guarantees of future performance or results. All forward-looking statements are based on the Company's current beliefs as well as assumptions made by and information currently available to it as well as other factors. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Due to risks and uncertainties, including the risks and uncertainties identified by the Company in its public securities filings, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*