

**FORM 51-102F3  
NATIONAL INSTRUMENT 51-102  
MATERIAL CHANGE REPORT UNDER SECTION 7.1 OF NI 51-102**

**FILED VIA SEDAR**

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

The Canadian Bioceutical Corporation (“BCC” or the “Company”)  
477 Mt. Pleasant Road, Suite 110  
Toronto, ON M4S 2L9

**Item 2.      Date of Material Change**

A material change took place on March 13, 2017.

**Item 3.      News Release**

On March 14, 2017, a news release in respect of the material change was released by telecopier through the facilities of Accesswire.

**Item 4.      Summary of Material Change**

On March 13, 2017, the acquisition of the assets of PerkAZ Property LLC, , an Arizona registered company active in the cannabis space, was completed for an aggregate purchase price of US\$4 million consisting of US\$3 million cash and US\$1 million of stock issued at CAD\$0.75 per common share (1,776,800 common shares). The transaction includes a Management Agreement with Healing Center Wellness Center LLC (THC), a licensee under the Arizona Medical Marijuana Act (AMMA), as well as 44.3 acres of land in Chino Valley, AZ (the “**Property**”).

The Property included in transaction is located adjacent to Big Chino aquifer, providing free access to water, making this a valuable asset for multiple purposes. The property has been appraised at US\$1.5 million.

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

A full description of the material change can be found in the Corporation’s press release which is attached as Schedule “A” hereto.

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

The report is not being filed in reliance on section 7.1(2) of National Instrument 51-102.

**Item 7.      Omitted Information**

No information has been omitted.

**Item 8.      Executive Officer**

W. Scott Boyes, President, Chief Executive Officer and Director  
416-840-4703

**Item 9.      Date of Report**

March 23, 2017.

## SCHEDULE “A”



### BCC COMPLETES ACQUISITION OF NEW CANNABIS ASSETS

*Company expands Arizona footprint – to establish third dispensary under H4L brand*

TORONTO, ONTARIO, March 14, 2017 – (CSE: BCC, OTC:CBICF)

**The Canadian Bioceutical Corporation** (the “Company” or “BCC”) (CSE: BCC, OTC:CBICF) today announced that further to its press release of February 6, 2017, the Company has completed the acquisition of the assets belonging to PerkAZ Property LLC, an Arizona registered company active in the cannabis space. The transaction includes a Management Agreement with Healing Center Wellness Center LLC (THC), a licensee under the Arizona Medical Marijuana Act (AMMA), as well as 44.3 acres of land in Chino Valley, AZ.

#### Transaction highlights

- New dispensary to be established under the successful Health for Life (H4L) brand in the Greater Phoenix Area (GPA).
- Property included in transaction is located adjacent to Big Chino aquifer, providing free access to water, making this a valuable asset for multiple purposes. The property has been appraised at US\$1.5 million.
- Attractive valuation at US\$4 million.
  - US\$3 million in cash.
  - US\$1 million in stock, issued at \$0.75 per share.

#### Management commentary

“Developing the new dispensary license by leveraging our successful H4L and MPX brands will add further strength to our already highly profitable platform,” said Scott Boyes, President and CEO of BCC. “The ability to relocate this license to a relatively underserved area in the GPA, combined with the value of the Chino Valley property, makes this a very attractive transaction at the consideration paid. Our operational track record and proven access to capital make us a very attractive partner, putting us in a strong position to aggressively pursue further growth, both organically and through acquisitions.”

Beth Stavola, President of BCC’s U.S. operations, stated, “As the total number of dispensaries permissible in Arizona is capped at one per ten licensed pharmacies, the market remains tightly controlled. We see this reflected in market prices for cannabis, which remain strong, both for high quality flower and concentrates. The new dispensary will benefit from our strong brand recognition and proven marketing capabilities. At the same time, we are adding production capacity in the Mesa area, which will enable us to serve the new dispensary with product, as well as expand the market share of our wholesale brand MPX.”

## **Expansion and timelines**

As the THC dispensary license is older than three years, it can be relocated to the Greater Phoenix Area, a rapidly growing metropolitan area with over 4.6 million people. The new dispensary will be operated under the Health for Life (H4L) brand, which currently operates two highly profitable BCC-supported dispensaries in the GPA, serving approximately 500 customers per day. Development of the new H4L dispensary is anticipated to take approximately 5-6 months. The Company anticipates the costs of acquiring a property for the new dispensary and developing it to H4L standards will be approximately US\$1.2 million.

## **About The Canadian Bioceutical Corporation**

BCC, an Ontario corporation, through its wholly owned subsidiaries in the U.S., provides management, staffing, procurement, advisory, financial, real estate rental, logistics and administrative services to two medicinal cannabis enterprises in Arizona. While the Company does not directly own, possess or sell cannabis or cannabis-infused products, it does provide substantial support and exerts considerable influence over these two businesses, which are legally authorized to sell medical cannabis and derivative products.

Under the Health for Life ("H4L") brand, the two licensed dispensaries operate in the Mesa area, which is part of the rapidly growing Phoenix Metropolitan Statistical Area (MSA) with a population of 4.6 million people. Additionally, the Company supports the Melting Point Extracts ("MPX") brand. The award winning MPX products have facilitated rapid growth of the brand's wholesale business, now supplying a growing number of Arizona dispensaries.

The Company also leases a property in Owen Sound, Ontario, for which an application to Health Canada has been made for a cannabis production and sales license. In addition, the Company will continue its efforts related to its legacy nutraceuticals business.

## **Cautionary Statement Regarding Forward-Looking Information**

*This news release includes certain "forward-looking statements" under applicable Canadian securities legislation that are not historical facts. Forward-looking statements involve risks, uncertainties, and other factors that could cause actual results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements in this news release include, but are not limited to, the Transaction and BCC's objectives and intentions. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic and social uncertainties; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; delay or failure to receive board, shareholder or regulatory approvals; those additional risks set out in BCC's public documents filed on SEDAR at [www.sedar.com](http://www.sedar.com); and other matters discussed in this news release. Although BCC believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by law, BCC disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.*

*On behalf of the Board of Directors*

*The Canadian Bioceuticals Corporation*

*Scott Boyes, CEO*

For further information please contact:

Scott Boyes, President and CEO

The Canadian Bioceutical Corporation

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