

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Yerbaé Brands Corp. (the “**Company**” or “**Yerbaé**”)
18801 N Thompson Peak Parkway
Suite D-380
Scottsdale, AZ, 85255

Item 2 Date of Material Change

January 16, 2024

Item 3 News Release

The news release dated January 19, 2024 was disseminated through Stockwatch and BayStreet on January 19, 2024.

Item 4 Summary of Material Change

The Company received final approval to the repricing (the “**Warrant Amendment**”) of an aggregate of 3,234,675 outstanding common share purchase warrants (the “**Warrants**”) from US\$1.50 to US\$1.20, which Warrant Amendment has been effected.

One eligible warrant holder (the “**Eligible Holder**”) participated in the Company’s warrant exercise incentive program (the “**Warrant Incentive Program**”) and exercised an aggregate of 835,000 Warrants for aggregate proceeds to the Company of \$1,002,000. To induce the early exercise of the Warrants, the Company issued an aggregate of 835,000 warrants (the “**Incentive Warrants**”) to the Eligible Holder. The Incentive Warrants are exercisable into the same number of common shares of the Company at an exercise price of US\$1.50 per common share until December 14, 2025, subject to an acceleration provision (the “**Acceleration Provision**”) whereby, if for any thirty (30) consecutive trading days (the “**Premium Trading Days**”) following the repricing the closing price of the Shares exceeds US\$2.50 per Share, the Incentive Warrants’ expiry date will be accelerated such that holders will have thirty (30) calendar days to exercise the Incentive Warrants (if they have not first expired in the normal course) (the “**Acceleration Clause**”). The activation of the Acceleration Clause will be announced by press release and the 30-day period will commence no later than seven (7) days after the last Premium Trading Day.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company received final approval to the Warrant Amendment of the Warrants from US\$1.50 to US\$1.20, which Warrant Amendment has been effected.

The Eligible Holder participated in the Warrant Incentive Program and exercised an aggregate of 835,000 Warrants for aggregate proceeds to the Company of \$1,002,000. To

induce the early exercise of the Warrants, the Company issued 835,000 Incentive Warrants to the Eligible Holder. The Incentive Warrants are exercisable into the same number of common shares of the Company at an exercise price of US\$1.50 per common share until December 14, 2025, subject to the Acceleration Provision. The activation of the Acceleration Clause will be announced by press release and the 30-day period will commence no later than seven (7) days after the last Premium Trading Day.

Proceeds received from the exercise of Warrants will be used by the Company for general working capital purposes.

The Incentive Warrants and the common shares issuable upon exercise of the Incentive Warrants are subject to a four month and a day hold period from the date of the issuance of the Incentive Warrants pursuant to applicable Canadian securities laws.

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

None

Item 8 Executive Officer

Todd Gibson, Chief Executive Officer, 480.471.8391

Item 9 Date of Report

January 25, 2024