

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

November 15, 2023 and November 20, 2023

Item 3 News Release

The news release dated November 15, 2023 was disseminated through Globe Newswire on November 15, 2023 and the news release dated November 20, 2023 was disseminated through Globe Newswire on November 20, 2023.

Item 4 Summary of Material Change

The Company entered into an agreement (the “**Agreement**”) with Raymond James Ltd. (“**Raymond James**”) and Echelon Wealth Partners Inc. (“**Echelon**”, together with Raymond James, the “**Co-Lead Agents**”) as co-lead agents and joint bookrunners, and Beacon Securities Limited and Roth Capital Partners, LLC (collectively, the “**Agents**”), to conduct a private placement on a commercially reasonable, “best efforts” agency basis to raise gross proceeds of up to US\$5.0 million through the issuance of special warrants of the Company (the “**Special Warrants**”) at a price (the “**Issue Price**”) to be determined in the context of the market (the “**Offering**”). Football superstar Aaron Rodgers, the quarterback for the New York Jets, is providing the lead order.

On November 20, 2023, the Company priced the Offering at US\$1.50 per Special Warrant and amended the proposed terms of the Special Warrant.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company entered into the Agreement with the Co-Lead Agents to conduct the Offering of Special Warrants at the Issue Price.

The Company has agreed to grant to the Agents an option (the “**Agent’s Option**”) to sell up to an additional 15% of the Special Warrants sold pursuant to the Offering at the Issue Price, exercisable in whole or in part at any time until 48 hours prior to the Closing Date by the Agents prior to the closing date of the Offering. Each Special Warrant will be exercisable by the holder for one (1) unit of the Company (each, an “**Underlying Unit**” and collectively, the “**Underlying Units**”), for no additional consideration. Each Underlying Unit will be comprised of one common share (a “**Common Share**”) and one Common Share purchase warrant (a “**Warrant**” and together with the Common Shares, the “**Underlying Securities**”). Each Warrant will entitle the holder to acquire one Common Share at an exercise price of US\$1.75 for 24 months following the Closing Date (as defined below). The Special Warrants will be automatically exercised on the date (the “**Qualification Date**”) that is the earlier of: (a) the date that is four months and a day following the Closing Date,

and (b) the third business day after (i) a receipt is issued for a final short form prospectus by the securities regulatory authorities in each of the provinces and territories of Canada, (the “**Qualifying Jurisdictions**”); or (ii) a receipt is issued for a final base shelf prospectus by the securities regulatory authorities in each of the Qualifying Jurisdictions and a prospectus supplement is filed in each of the Qualifying Jurisdictions, each qualifying the distribution of the Underlying Securities. The Company shall use reasonable best efforts to (i) obtain the receipt for a final short form prospectus; or (ii) obtain the receipt for a final base shelf prospectus and file a prospectus supplement, each qualifying the distribution of the Underlying Securities in each of the Qualifying Jurisdictions by January 31, 202 (the “**Penalty Date**”). If the Company fails to qualify the distribution of the Underlying Securities in the Qualifying Jurisdictions by the Penalty Date, the holders of Special Warrants will be entitled to receive 1.1 Underlying Units upon exercise of each Special Warrant without further payment on the part of the holder.

The net proceeds from the Offering will be used for Yerbae’s continued expansion through product innovation, distribution growth and marketing strategies, as well as for working capital and general corporate purposes.

The Offering is expected to close on or about December 5, 2023, or such other date as the Company and the Co-Lead Agents, on behalf of the Agents, may agree (the “**Closing Date**”), and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the TSX Venture Exchange.

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 U.S. state securities laws, and may not be offered or sold in the United States without registration under the U.S. Securities Act and all applicable state securities laws or compliance with the requirements of an applicable exemption therefrom. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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

November 23, 2023