

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

May 16, 2023

Item 3 News Release

The news release dated May 16, 2023 was disseminated through BusinessWire on May 16, 2023.

Item 4 Summary of Material Change

On May 16, 2023, the Company announced that it has secured a new accounts receivable and inventory line of credit of US\$2,500,000 (the “**Debt Facility**”) from Oxford Commercial Finance, a Michigan banking corporation (“**Oxford Bank**”), through its Delaware subsidiary Yerbaé LLC. The Debt Facility replaces the Company’s prior credit agreement and is an upgrade to bank debt, and will help the Company fuel its growth and support its ongoing operations.

The Debt Facility is structured as a revolving line of credit, which means that the Company can draw down funds as needed, and only pay interest on the amount borrowed.

The Debt Facility will be used to fund the Company’s growth initiatives, including investments in product innovation, marketing, and distribution. It will also be used to support the Company’s ongoing operations and working capital requirements. The Debt Facility is secured by a security interest in all assets of Yerbaé, including a first security interest in Yerbaé’s accounts receivable and inventory.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

A full description of the material change is described in Item 4 above and in the News Release filed on SEDAR at www.sedar.com.

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

May 17, 2023