

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Reporting Issuer

ParcelPal Technology Inc. (the “**Company**”)
Suite 911, 850 West Hastings St.
Vancouver, British Columbia, V6C 1E1

Item 2. Date of Material Change

December 8, 2016

Item 3. News Release

A news release was disseminated on December 8, 2016 through Stockwatch and subsequently filed on SEDAR.

Item 4. Summary of Material Changes

The Company announced that it has terminated its 10% rolling stock option plan and established a 20% fixed stock option plan under which options to purchase common shares of the Company may be granted from time to time to directors, officers, consultants, employees and other persons eligible to be granted options in accordance with the policies of the Canadian Securities Exchange.

Item 5. Full Description of Material Change

The Company announced that it has terminated its 10% rolling stock option plan (the “Termination”) and established a 20% fixed stock option plan (the “New Plan”) under which options to purchase common shares of the Company may be granted from time to time to directors, officers, consultants, employees and other persons eligible to be granted options in accordance with the policies of the Canadian Securities Exchange (the “CSE”).

The Termination will not alter the terms or conditions of any of the current options (the “Current Options”) outstanding under the 10% rolling stock option plan or impair any right of any holder of the Current Options (the “Current Optionholders”) pursuant to any Current Option awarded prior to the date of the Termination. Notwithstanding the Termination, the Company, Current Options, Current Optionholders and common shares of the Company issuable under Current Options will continue to be governed by the provisions of the 10% rolling stock option plan.

The New Plan will allow for the issuance of up to 20% of the total number of issued and outstanding common shares of the Company as of December 8, 2016, or 5,637,711 common shares. As at December 8, 2016, there are a total of 2,705,000 Current Options outstanding and therefore there will be a total of 2,932,711 stock options available allowing for the issuance of up to 2,932,711 common shares of the Company under the New Plan

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

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

For further information, please contact Kelly Abbott, President, 778-237-5212.

Item 9. Date of Report

December 14, 2016