

## FORM 51-102F3

### MATERIAL CHANGE REPORT

**Item 1: Name and Address of Reporting Issuer**

PUF Ventures Inc. (the “Company”)  
804-750 West Pender Street  
Vancouver, BC V6C 2T7

**Item 2: Date of Material Change**

October 18, 2017.

**Item 3: News Release**

A news release was issued and disseminated on October 18, 2017 and filed on SEDAR ([www.sedar.com](http://www.sedar.com)).

**Item 4: Summary of Material Changes**

The Company, an advanced Access to Cannabis for Medical Purposes Regulations (“ACMPR”) license applicant, announced that it has entered into a strategic partnership with MYM Nutraceuticals Inc. (CSE:MYM) (OTC:MYMMF) (“MYM”) for the construction of a one million square foot greenhouse facility in northern New South Wales, Australia called the Northern Rivers Project.

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

The Company, an ACMPR license applicant, announced that it has entered into a strategic partnership with MYM for the construction of a one million square foot greenhouse facility in northern New South Wales, Australia called the Northern Rivers Project.

The Northern Rivers Project is a partnership with the Richmond Valley Council, the local government in New South Wales, Australia, and PUF Ventures Australia (“PVA”), a recently formed majority-owned subsidiary of the Company, to construct a one million square foot greenhouse operation, with large-scale manufacturing, processing and office facilities for the cultivation, production and manufacture of medical cannabis and associated products.

The Company will own 35% of the Northern Rivers Project, which, at full scale, will have the capacity to produce 100,000 kilograms of high quality cannabis per year, worth between C\$800 million and C\$1.1 billion (based on current pricing metrics in the Australian cannabis marketplace).

Australia has introduced progressive medical cannabis laws in the past few years, and are essentially where Canada was four years ago. Assuming recreational cannabis becomes legal and with a population of more than 24 million people, it is estimated that the cannabis market in Australia will grow to C\$9 billion over the next seven years making it a very attractive market. Being one of the first large-scale production facilities in the Australian market, the Company and MYM could capture a significant portion of that potential revenue. By entering this market through a strategic partnership with the local land-owning government, the Company and MYM are positioned to become leaders in both Australian and global cannabis production.

The Northern Rivers Project includes a land purchase option agreement with the Richmond Valley Council for a 27-hectare parcel of land near the town of Casino in northern New South Wales, Australia. This is a landmark agreement whereby the council will provide the land for five years at no cost, with an option for Northern Rivers Project to purchase the parcel on favourable terms after the fifth year. The Richmond Valley Council has been extremely supportive of Northern Rivers Project’s growth strategy and vision and is committed to improving local economic and employment opportunities. The purchase agreement and associated partnership with the Richmond Valley Council will allow the Northern Rivers Project to enter the cannabis market on a solid footing with the full support of the local political and governing bodies. Having the largest medical cannabis facility in the southern hemisphere in Richmond Valley is expected to draw other investments in research, education, manufacturing, tourism, and other sectors.

Vaughan Macdonald, General Manager of Richmond Valley Council, stated that they are very excited to be working together on the Northern Rivers Project with international partners and fully support the development of this important new industry which will significantly add to gross regional product, create approximately 300 direct new jobs in the local economy, and lead to other follow-on local and regional employment opportunities.

This unique partnership between a government and corporation partnering in a cannabis operation is very familiar to MYM, as it is very similar to the first-of-its-kind Canadian partnership MYM formed with the City of Weedon earlier this year to build a 1.5 million square foot greenhouse facility in Weedon, Québec.

### **Details on the Northern Rivers Project**

The Company and MYM plan to construct a one million square foot greenhouse operation, with large-scale manufacturing, processing and office facilities for the cultivation, production and manufacture of medical cannabis and associated products in Australia. The construction of the facility will be completed in stages at an estimated total cost of C\$50 million. The first phase of the project is to cover approximately 300,000 square feet, which upon completion will be the largest medical cannabis greenhouse in Australia. Based on current construction timelines, permitting and various Australian approvals, the first crop is expected to be planted in the fourth quarter of 2018. The Company will seek financing to cover the costs of the project from both local and international partners.

At full scale, the new facility will have the capacity to support annual production of 100,000 kilograms of high-quality cannabis, which, based on the current market price for high quality medical cannabis in Australia of between C\$227 and C\$315 per ounce or C\$8000 and C\$11,000 per kilogram, equates to an associated annual revenue generation potential of between C\$800 million and C\$1.1 billion. Internal analysis suggests these prices will hold or likely increase due the higher-margin, high-quality medical-grade cannabis grown. Total operating costs are estimated to be between 20-25 percent of gross revenue.

In addition, PVA has entered into a purchase option agreement with the Richmond Valley Council for a 27-hectare parcel of land near the town of Casino in northern New South Wales, Australia. This is a landmark agreement whereby the council will provide the land for five years at no cost, with an option for PVA to purchase the parcel on favourable terms after year five. The cost of the parcel at year five will be based on the current value of the land and not the reassessed value at the future date. In addition, PVA will be entitled to credits for money spent on land infrastructure.

### **About MYM**

MYM is an innovative company focused on acquiring Health Canada licenses to produce and sell high-end organic medicinal cannabis supplements and topical products. To ensure a strong presence and growth potential within the industry, MYM is actively looking to acquire complementary businesses and assets in the technology, nutraceuticals and CBD sectors. MYM shares trade in Canada, Germany and the USA under the following symbols: (CSE: MYM) (OTC:MYMMF) (FRA:0MY) (DEU:0MY) (MUN:0MY) (STU:0MY).

### **About the Company**

PUF Ventures Inc. owns a majority interest in AAA Heidelberg Inc., a private Ontario company that is an advanced applicant for an ACMPR license from Health Canada. The Company has an option to acquire the balance of shares to own 100% of AAA Heidelberg Inc. upon receipt of the ACMPR license. Through a supply agreement with Canopy Growth Corp., the Company has joined CraftGrow, a collection of high-quality cannabis grown by a select and diverse set of producers, made available to the Canadian market through the Tweed Main Street website. While it cannot guarantee nor estimate the timing of the issuance of a license to AAA Heidelberg Inc. it is management's goal to become a leading supplier of medical marijuana in Canada.

PUF Ventures Inc. also owns a majority interest in PUF Ventures Australia ("PVA"), a private company with a purchase option on 27-hectares of land near the town of Casino, New South Wales. PVA is constructing a one million-square-foot greenhouse operation with large scale manufacturing and processing facilities for the cultivation, harvesting, processing of medical cannabis and associated products in Australia.

No stock exchange or securities regulatory authority has reviewed or accepted responsibility for the adequacy or accuracy of the release.

Some of the statements contained in the release are forward-looking statements, such as estimates and statements that describe the Issuer's future plans, objectives or goals, including words to the effect that the Issuer or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties.

**Item 6: Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

**Item 7: Omitted Information**

None.

**Item 8: Executive Officer**

For further information, please contact:

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**Item 9: Date of Report**

October 18, 2017.