

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: **Name and Address of Company**

Rakovina Therapeutics Inc. (“**Rakovina**” or the “**Company**”)
105 – 1008 Beach Avenue
Vancouver, British Columbia V6E 1T7

Item 2: **Date of Material Change**

May 29, 2023

Item 3: **News Release**

The news release announcing the material change referred to in this report was disseminated on May 29, 2023 through CNW Group, and a copy has been filed under Rakovina’s profile on SEDAR.

Item 4: **Summary of Material Change**

On May 29, 2023, Rakovina closed its previously announced non-brokered private placement (the “**Offering**”) of unsecured convertible debenture units of the Company (the “**Debenture Units**”) for aggregate gross proceeds to the Company of approximately \$1.5 million.

Item 5:

5.1 **Full Description of Material Change**

On May 29, 2023, Rakovina closed the Offering of the Debenture Units for aggregate gross proceeds to the Company of approximately \$1.5 million.

Each whole Debenture Unit is deemed to consist of \$50,000 in principal amount of unsecured convertible debenture of the Company (each, a “**Debenture**”) and 100,000 common share purchase warrants of the Company (the “**Warrants**”), with each Warrant entitling the holder thereof to acquire one common share of the Company (a “**Warrant Share**”) at a price of \$0.15 per Warrant Share for a period of 30 months ending November 29, 2025.

The Debentures will (i) mature 30 months following the closing date of the Offering (the “**Closing Date**”), unless earlier converted or redeemed, and (ii) accrue interest at a rate of 12% per annum which is due and payable semi-annually commencing on the date that is six (6) months following the Closing Date. Interest on each Debenture is payable, at the option of the holder, in common shares of the Company (“**Common Shares**”), pursuant to the terms and conditions of the indenture governing the Debentures.

Each \$1,000 (or any integral multiple thereof) in principal amount of Debenture is convertible, at the option of the holder, into Common Shares (the “**Debenture Shares**”) at a conversion price of \$0.20 per Debenture Share. Rakovina is entitled to redeem each Debenture starting 12 months following the Closing Date by paying a redemption premium on the outstanding principal amount of Debenture equal to 2%, subject to certain limitations.

Certain insiders of the Company, specifically Jeffrey Bacha, Alfredo De Lucrezia and Downstream Holdings Ltd. (a company controlled by Alfredo De Lucrezia) (collectively, the “**Interested Insiders**”), subscribed for an aggregate of 22 Debenture Units in the Offering for aggregate gross proceeds to the Company of \$1.1 million. The issuance of such Debenture Units constitutes a related party transaction under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) and Policy 5.9 by the TSX Venture Exchange (“**TSX-V**”). The board of directors of the Company (the “**Board**”) consists of four (4) directors, two (2) of whom are independent as determined pursuant to Part 7 of MI 61-101. The Offering was approved by the Board and no materially contrary view was expressed nor was there any material disagreement in the approval process adopted by the Board. In respect of the Offering, the Interested Insiders entered into subscription agreements with Rakovina containing the standard terms for the transaction of this nature and on the same terms and conditions as the other investors in the Offering.

The Company is relying on exemptions from the formal valuation and minority shareholder approval requirements under MI 61-101 on the basis that neither the fair market value of the Debenture Units issued to the Interested Parties, nor the consideration received for those Debenture Units, exceeds 25% of the Company’s market capitalization. No new insiders were created, nor has there been a Change of Control (as defined in TSX-V Policies) as a result of closing the Offering. The Company did not file a material change report more than 21 days before the Closing Date, as the details and amounts of insider participation was not finalized until shortly prior to the Closing Date.

Pursuant to applicable Canadian securities laws, all securities issued and issuable in connection with the Offering are subject to a hold period until September 30, 2023.

5.2 **Disclosure for Restructuring Transaction**

Not applicable.

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

Not applicable.

Item 7: **Omitted Information**

Not applicable.

Item 8: **Executive Officer**

David Hyman
Chief Financial Officer & Corporate Secretary
Rakovina Therapeutics Inc.
(403) 613-1453

Item 9: **Date of Report**

June 6, 2023