

**51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

SnoBro Enterprises Inc. (“SnoBro” or the “Company”)  
13966 18B Avenue  
Surrey, B.C. V4A 8J1

**Item 2 Date of Material Change**

June 7, 2017

**Item 3 News Release**

A press release announcing the material change referred to in this report was disseminated on June 7, 2017 through Marketwired and filed on SEDAR.

**Item 4 Summary of Material Change**

The Company announced a Qualifying Transaction Agreement

**Item 5 Full Description of Material Change**

*5.1 Full Description of Material Change:*

The Company announced that it has entered an exclusive Technology Purchase and Employment Agreement effective June 1, 2017 (the “Agreement”) with businessman and inventor Gautier Arcouette (“Arcouette”) of Mansonville, Quebec.

The Agreement focuses on the technology purchase and development, commercialization and production of proprietary products under patent application numbers CA 2,919,402 and PCT/CA2017/050110 filed on February 1, 2016 and February 1, 2017 by Arcouette for devices, titled “Foldable Snow Bike” and “Snow Bike”.

Prototype snowbikes, featuring the technologies which are the basis of the patent applications, have been conceived, built and tested by Arcouette in both extreme and recreational snow environments. Arcouette inherited his inventive/creative mind from his grandfather who participated in the early development of well known snow vehicles and was one of the first in the world to commercialize roto-molded kayaks and sailboards. Arcouette has grown up snowboarding and surrounded by entrepreneurs and innovation related to recreational products.

Snobro plans to utilize these technologies to produce and market snowbike products capable of generating multi-million dollar revenue streams from the global snowboard and ski markets. The target markets for snowbike products include skiers, snowboarders, cyclists and anyone seeking a new way to ride the snow. There are over 9 million alpine skiers and approximately 5.2 million snowboarders in North America alone, with US equipment sales of approximately \$925 million, annually (2015/16)\*.

As part of the Agreement, Snobro will pay Arcouette as an employee of the Company an annual gross salary of \$60,000. The Salary is payable in accordance with Snobro's standard salary payment schedule.

In consideration for the transfer of the patent rights, the following payments are to be paid within thirty (30) days of achievement of the specific milestone referenced below provided, however, that Arcouette remains a full time employee of Snobro at the time a relevant milestone is achieved:

- (i) Twenty thousand Dollars (\$20,000) on TSX Venture Exchange ("TSX-V") approval ("Milestone 1");
- (ii) Twenty thousand Dollars (\$20,000) on the grant of a new patent arising out of the filed patent applications ("Milestone 2"); and
- (iii) Twenty thousand Dollars (\$20,000) on the achievement of net sales of snowbike products totalling \$1,000,000 ("Milestone 3"); and

A royalty rate of two percent (2.0%) on the net sales of snowbike products earned by Snobro, is to be paid within thirty (30) days of the end of each calendar quarter.

As further consideration for transfer of the patent rights, and subject to achievement of the milestones set out above, Snobro will issue two million (2,000,000) Common Shares of Snobro to be released as follows:

- (i) Three hundred thousand (300,000) Common Shares within 5 business days of achievement of Milestone 1;
- (ii) Seven hundred thousand (700,000) Common Shares within thirty (30) days of the achievement of Milestone 2; and
- (iii) One million (1,000,000) Common Shares to be issued within thirty (30) days of the achievement of Milestone 3.

Peter Hughes, CEO of the Company comments that: "The principal business of the Company has been the identification and evaluation of assets or businesses with an objective of completing a Qualifying Transaction (the "QT"), as pursuant to TSX-V policies. We believe the technology being acquired has the potential to generate multi million-dollar revenue streams. The proposed QT is subject to approval by the TSX-V in accordance with its policies and guidelines. The common shares of Snobro have been halted from trading while TSX-V assesses the proposed transaction".

Arcouette is at arm's length to the Company, and while he will be added to the Snobro team as Chief Technology Officer, the remainder of the directors and officers will remain. As the QT is with an arm's length party, shareholder approval is not required. As well, the Company does not require any additional financing to carry out its business plans for at least the first year and probably beyond. The Company plans to further develop and commercialize for sale to consumers snowbike products based on the technologies acquired in this transaction.

*\*Reference (1): snowsports.org*

*5.2 Disclosure for Restructuring Transactions*

Not applicable

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

Not applicable

**Item 7 Omitted Information**

None

**Item 8 Executive Officer**

Peter Hughes, CEO and President, 604 802-7372

**Item 9 Date of Report**

June 7, 2017