

**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

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

State the full name of your company and the address of its principal office in Canada.

Cardiol Therapeutics Inc. ("**Cardiol**" or the "**Company**")  
2265 Upper Middle Road East, Suite #602  
Oakville, Ontario, L6H 0G5

***Item 2 Date of Material Change***

State the date of the material change.

December 3, 2019

***Item 3 News Release***

State the date and method(s) of dissemination of the news release issued under section 7.1 of National Instrument 51-102.

A news release was disseminated on December 3, 2019 to the Toronto Stock Exchange, as well as through various other approved public media and was filed on SEDAR with the securities commissions of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador.

***Item 4 Summary of Material Change(s)***

Colin Stott was appointed to the board of directors (the "**Board**") and Terry Lynch resigned from Cardiol's Board.

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

**5.1 Full Description of Material Change**

Colin Stott was appointed to Cardiol's board of directors and Terry Lynch resigned from the Board. Mr. Stott is a veteran of the pharmaceutical and biotech industries, having almost 30 years' experience in pre-clinical and clinical development, with specific expertise in the development of cannabinoid-based medicines, and 19 years' experience in the field. Mr. Stott, currently the Chief Operating Officer of Alinova Biosciences Ltd., was the former Scientific Affairs Director, International and R&D Operations Director for GW Pharmaceuticals plc ("**GW Pharma**"), a world leader in the development of cannabinoid therapeutics and the company which created Epidiolex®, the first FDA-approved cannabidiol therapy for use as an orphan drug in rare forms of pediatric epilepsy.

As R&D Operations Director at GW Pharma for over 16 years, Mr. Stott was a key player in the development of their discovery and development pipeline, and was closely involved in the Marketing Authorization Application submission and approval of Sativex® and the New Drug Application submission of Epidiolex®, which was approved by the U.S. Food and Drug Administration in June 2018. More recently, as Scientific Affairs Director, International, he was part of the Medical Affairs team responsible for the preparation of the international launch of Epidiolex®.

## **5.2 Disclosure for Restructuring Transactions**

Not applicable

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

If this Report is being filed on a confidential basis in reliance on subsection 7.1(2) of National Instrument 51-102, state the reasons for that reliance.

Not applicable

### ***Item 7 Omitted Information***

State whether any information has been omitted on the basis that it is confidential information.

Not applicable

### ***Item 8 Executive Officer***

Give the name and business telephone number of an executive officer of your company who is knowledgeable about the material change and the Report, or the name of an officer through whom such executive officer may be contacted.

Chris Waddick  
Chief Financial Officer  
Tel: 289-910-0850

### ***Item 9 Date of Report***

December 13, 2019