

FORM 51-102F3
MATERIAL CHANGE REPORT

ITEM 1 - Name and Address of Company

ZYUS Life Sciences Corporation ("ZYUS" or the "Corporation")
407 Downey Road, Suite 204
Saskatoon, SK S7N 48

ITEM 2 - Date of Material Change

December 20, 2024

ITEM 3 - News Release

Attached as Schedule "A" is a copy of the news release relating to a material change, which was disseminated on December 23, 2024, through Business Wire. The news release was subsequently filed on the System for Electronic Data Analysis and Retrieval + at www.sedarplus.ca.

ITEM 4 - Summary of Material Change

An independent director (the "**Lender**") has advanced a CAD\$2,000,000 unsecured loan (the "**Loan**") to the Company which closed on December 20, 2024 and subject to the Company filing notice of the Loan with the TSX Venture Exchange in accordance with Policy 3.2. The Loan bears interest at an annual rate of 12% and matures on the earlier of (i) June 20, 2025, and (ii) the date the Company completes a treasury offering of its common shares and or securities convertible into common shares resulting in gross proceeds to the Company of not less than \$10 million, or such lesser amount as the Company and the Lender may agree to in writing. The Company has granted the Lender the right to participate in such treasury offering if undertaken, but the Lender has no obligation to do so and participation is subject to approval of the TSX Venture Exchange.

In addition, a secured promissory note in the principal amount of \$4 million dated March 21, 2021, as amended, (the "**Promissory Note**") issued by the Company's wholly owned subsidiary, ZYUS Life Sciences Inc., to 102042227 Saskatchewan Ltd. ("**102 Sask**") has been amended to change the rate of interest from 7% to 12% per annum and extend the maturity date from December 31, 2024 to December 31, 2025 (the "**Promissory Note Amendment**"). 102 Sask is wholly owned by the Company's CEO, Brent Zettl, who is also a director of the Company. All other terms of the Promissory Note remain as previously disclosed by the Company in its publicly available financial statements.

ITEM 5 - Full Description of Material Change

5.1 Full Description of Material Change

See press release attached as Schedule "A" hereto.

5.2 Disclosure of Restructuring Transactions

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:

Brent Zettl
Chief Executive Officer
ZYUS Life Sciences Corporation
407 Downey Road, Suite 204
Saskatoon, SK S7N 48

Telephone: (306) 242-2357

ITEM 9 - Date of Report

December 23, 2024

Schedule "A"

See attached news release

ZYUS Life Sciences Corporation Announces Closing of Unsecured Loan and Amendment of Existing Shareholder Promissory Note

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

SASKATOON, Saskatchewan--(BUSINESS WIRE)--December 23, 2024--ZYUS Life Sciences Corporation (the “**Company**”) (TSX-V: ZYUS), a Canadian-based life sciences company focused on the development and commercialization of novel cannabinoid-based pharmaceutical drug candidates for pain management, is pleased to announce that an independent director of the Company (the “**Lender**”) has advanced a CAD\$2,000,000 unsecured loan (the “**Loan**”) to the Company which closed on December 20, 2024, subject to the Company filing notice of the Loan with the TSX Venture Exchange. The Loan bears interest at an annual rate of 12%, is payable on maturity, is pre-payable by the Company at any time without penalty or premium and matures on the earlier of (i) June 20, 2025, and (ii) the date the Company completes a treasury offering of its common shares and or securities convertible into common shares resulting in gross proceeds to the Company of not less than \$10,000,000, or such lesser amount as the Company and the Lender may agree to in writing. The Company has granted the Lender the right to participate in such treasury offering if undertaken, but the Lender has no obligation to do so, and participation is subject to approval of the TSX Venture Exchange. The Company intends to utilize proceeds from the Loan for general working capital purposes.

In addition to the advancement of the Loan, a secured promissory note dated March 21, 2021, as amended, (the “**Promissory Note**”) issued by the Company’s wholly owned subsidiary, ZYUS Life Sciences Inc., to 102042227 Saskatchewan Ltd. having a current principal amount outstanding of approximately CAD\$4 million has been amended to change the rate of interest from 7% to 12% per annum and extend the maturity date from December 31, 2024 to December 31, 2025 (the “**Promissory Note Amendment**”). 102042227 Saskatchewan Ltd. is wholly owned by the Company’s CEO, Brent Zettl, who is also a director of the Company. All other terms of the Promissory Note remain as previously disclosed by the Company in its publicly available financial statements.

The Loan and Promissory Note Amendment each constitute a “related party transaction” as defined under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) as the Lender and Mr. Zettl are each directors of the Company (and Mr. Zettl is the CEO and a significant shareholder of the Company). The Lender and Mr. Zettl each abstained from the vote by the audit committee and board of directors of the Company with respect to approval the Loan, in the case of the Lender, and the Promissory Note Amendment, in the case of Mr. Zettl.

The Company has relied on the exemption from the valuation requirement pursuant to section 5.5(b) (Issuer Not Listed on Specified Markets) of MI 61-101 and from the minority shareholder approval requirement prescribed by section 5.7(1)(a) (Fair Market Value Not More Than 25 Percent of Market Capitalization) of MI 61-101 respecting both the Loan and Promissory Note Amendment. The Company did not file a material change report more than 21 days before

issuance of the Loan and Promissory Note Amendment because the details of the transactions were not settled until recently.

There is no undisclosed material information by the Company and all independent directors have approved each of the Loan and Promissory Note Amendment.

About ZYUS Life Sciences Corporation

ZYUS (TSXV: ZYUS) is a life sciences company focused on the development and commercialization of novel cannabinoid-based pharmaceutical drug candidates for pain management. Through rigorous scientific exploration and clinical research, ZYUS aims to secure intellectual property protection, safeguarding its innovative therapies and bolstering shareholder value. ZYUS' unwavering commitment extends to obtaining regulatory approval of non-opioid-based pharmaceutical solutions, in pursuit of transformational impact on patients' lives. For additional information, visit www.zyus.com or follow us on X (formerly known as Twitter) @ZYUSCorp.

Cautionary Note Regarding Forward-Looking Statements

This news release contains “forward-looking information” within the meaning of applicable securities laws relating to the Company’s business, the Company’s ability to advance clinical research activities, obtain regulatory approval of cannabinoid-based pharmaceutical drug candidates and introduce products that act as alternatives to current pain management therapies such as opioids, the use of proceeds from the Loan, possible pre-payment of the Loan and future treasury offerings of the Company. Any such forward-looking statements may be identified by words such as “expects”, “anticipates”, “intends”, “contemplates”, “believes”, “projects”, “plans”, “will” and similar expressions. Readers are cautioned not to place undue reliance on forward-looking statements. Statements about, among other things, the Company’s business, the Company’s ability to advance clinical research activities, obtain regulatory approval of cannabinoid-based pharmaceutical drug candidates, and introduce products that act as alternatives to current pain management therapies such as opioids, the use of proceeds from the Loan, possible pre-payment of the Loan and future treasury offerings of the Company are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management’s reasonable assumptions, there can be no assurance that the Company will be able to achieve these results. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances or actual results unless required by applicable law.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this press release.

Contacts

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