

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

LIFESTYLE DELIVERY SYSTEMS INC.

Suite 820, 1130 West Pender Street
Vancouver, BC V6E 4A4

Item 2. Date of Material Change

February 21, 2018

Item 3. News Release

The news release was issued on February 23, 2018, and was disseminated by Newsfile.

Item 4. Summary of Material Change

On February 21, 2018, the Company entered into a membership purchase and sale agreement (the "Agreement") with Jerry R. Davis and Debora B. Davis, husband and wife (collectively, the "Sellers"), NHMC, Inc., a California nonprofit mutual benefit corporation ("NHMC"), CSPA Group, Inc., a California nonprofit mutual benefit corporation ("CSPA"), LDS Agrotech Inc., a Nevada corporation and a majority owned subsidiary of the Company ("Agrotech"), LDS Scientific Inc., a Nevada corporation and a majority owned subsidiary of the Company ("Scientific") and Buckner, Robinson & Mirkovich ("Escrow Agent") to restructure the membership purchase agreements for the NHMC Inc. and CSPA Group Inc. dated for reference May 1, 2017, among other things.

The rights of LDS to purchase the memberships of both NHMC Inc. and CSPA Group Inc. were assigned to Kelly Christopherson, the current member of a medical cannabis nursery and a medical cannabis retailer located in Adelanto, CA. In exchange, Ms. Christopherson granted LDS a five year option to purchase the NHMC, Inc. and CSPA Group, Inc. memberships for one hundred U.S. dollars (US\$100.00) each. The assignment was made to facilitate the transfer of the permits described below by the City of Adelanto. On February 21, 2018, the NHMC, Inc. and CSPA Group, Inc. memberships were purchased for one million two hundred and fifty thousand U.S. dollars (US\$1,250,000.00) in addition to US\$150,000 the Company paid in its September 2017 Fiscal Quarter towards acquisition of the CSPA Membership under the terms of the CSPA Agreement, and three million (3,000,000) shares of LDS common stock. An additional 3,000,000 common shares that were previously issued and placed into escrow with the Escrow Agent in connection with the NHMC Agreement will be surrendered to the Company for cancellation.

Item 5. Full Description of Material Change

On February 21, 2018, the Company entered into a membership purchase and sale agreement (the "Agreement") with Jerry R. Davis and Debora B. Davis, husband and wife (collectively, the "Sellers"), NHMC, Inc., a California nonprofit mutual benefit corporation ("NHMC"), CSPA Group, Inc., a California nonprofit mutual benefit corporation ("CSPA"), LDS Agrotech Inc., a Nevada corporation and a majority owned subsidiary of the Company ("Agrotech"), LDS Scientific Inc., a Nevada corporation and a majority owned subsidiary of the Company ("Scientific") and Buckner, Robinson & Mirkovich ("Escrow Agent") for the purpose of settling the parties obligations to each other relating to (1) the Membership Purchase Agreement dated May 1, 2017 (the "NHMC Agreement") among the Company, the Sellers and NHMC regarding the sale by the Sellers to the Company of the sole membership interests in NHMC (the "NHMC Membership") and the Escrow Agreement among the Company, the Sellers and the Escrow Agent relating thereto, (2) the Membership Purchase Agreement dated May 1, 2017 (the "CSPA Agreement") among the Company, the Sellers and CSPA regarding the sale by the Sellers to the Company of the sole membership interests in CSPA (the "CSPA Membership") and, collectively with the NHMC Membership, the "Membership Interests") and the Escrow

Agreement among the Company, the Sellers and the Escrow Agent relating thereto, and (3) certain amounts owed by NHMC and CSPA to the Sellers for accrued and unpaid salaries (the "Unpaid Salaries").

Pursuant to the Agreement, in consideration for the Membership Interests, the Company agreed to pay to the Sellers US\$1,250,000 in cash and to release 3,000,000 common shares of the Company previously issued and placed into escrow with the Escrow Agent in connection with the the CSPA Agreement. An additional 3,000,000 common shares that were also previously issued and placed into escrow with the Escrow Agent in connection with the NHMC Agreement will be surrendered to the Company for cancellation. In addition, the Company agreed to pay a total of US\$120,000 less standard payroll deductions and withholding allowances to the Sellers on account of accrued but unpaid salaries payable to the Sellers by NHMC and CSPA. The Company had previously paid US\$150,000 towards acquisition of the CSPA Membership under the terms of the CSPA Agreement.

To facilitate the immediate closing of the transactions contemplated in the Agreement, the Company assigned its rights to the Membership Interests to Kelly Christopherson in exchange for five (5) year options granted to the Company to purchase Membership Interests for US\$100 each. For the Company to acquire the Membership Interests directly, background checks would need to be completed by the City of Adelanto on the directors and senior officers of the Company. The Company was advised that it would take a significant amount of time for these background checks to be completed. Ms. Christopherson is currently a member of a non-profit medical cannabis nursery and medical cannabis retailer in the City of Adelanto and has previously cleared the necessary background checks. Ms. Christopherson is a non-arms length party to Brad Eckenweiler, the Company's Chief Executive Officer.

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

Brad Eckenweiler
Chief Executive Officer
1-866-347-5058

Item 9. Date of Report

February 23, 2018